

MAFATLAL SERVICES LIMITED

56TH

ANNUAL REPORT

2017-18



A.H. DESAI & ASSOCIATES

CHARTERED ACCOUNTANTS

Independent Auditor's Report

To,

The members of MAFATLAL SERVICE LIMITED

Report on the Standalone Ind AS Financial Statements for the year ended 31st March, 2018

We have audited the accompanying standalone Ind AS financial statements of Mafatlal Service Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other Comprehensive Income), Statement of Cash Flow and the statement of Change in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS financial statement's").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and change in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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 Standalone Ind AS 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 there under.



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We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its income and expenditure (including other comprehensive income), its cash flows and the change in equity for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, whose report for the year ended 31st March, 2017 and 31st March, 2016 dated 27th April, 2017 and 20th April, 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.



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Emphasis of The matter

Note No 11 in the financial statements indicates that

Non-current trade debtors amounting to Rs.3319725 comprises of dues receivable from two companies which were previously serviced by MSL. Fair value of these receivables has not been revised in view of an undertaking being received by MSL that dues payable to a director of these two companies from a trust serviced by MSL may be adjusted against these receivables.

Our opinion is not modified in this matter

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 Section 143(11) of the Act, we give in "Annexure A" 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 appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss(including other comprehensive income), the Cash Flow Statement and Statement of Change in Equity dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
 - e. on the basis of written representations received from the directors as on 31st March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018, from being appointed as a director in terms of sub section (2) of section 164 of the Act.
 - f. The Company has adequate internal financial controls system in place and same are generally operating effectively
 - 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:



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- i. The Company has no pending litigations which requires disclosure on its financial position in its Standalone financial statements;
- ii. As represented by the company, there are no long-term contracts including derivative contracts having material foreseeable losses;
- iii. As represented by the company, there is no amount required to be transferred to Investor Education and Protection Fund by the Company.

For A.H. DESAI & ASSOCIATES
CHARTERED ACCOUNTANTS
(Reg. No. 102282W)

(Y.A. Desai)
Membership No. 16487
Dated: April 20, 2018



A.H. DESAI & ASSOCIATES

CHARTERED ACCOUNTANTS

Annexure A to the Auditor's Report

[Referred to in paragraph pertaining to Report on Other Legal and Regulatory Requirement of our Report of even date to the members of MAFATLAL SERVICE LIMITED on the Standalone Ind AS financial statements for the year ended 31st March, 2018]

1. The company does not hold any fixed asset. Thus, paragraph 3(i) of the order is not applicable to the company.
2. The company is service company. Accordingly, it does not hold any physical inventory. Thus, paragraph 3(ii) of the order is not applicable to the company.
3. The company has not granted any loans, secured or unsecured to companies/firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. The company has not granted any loans, guarantees, and security under section 185 and 186 of the Act. In respect of its Investments the company has complied with provision of Section 186 of the Companies Act, 2013.
5. The company has not accepted deposits from public.
6. The Central Government has not prescribed the maintenance of the cost records under section 148(1) of the Act, for any of the service rendered by the company.
7. a) According to the information and explanation given to us and records of the company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including Provident Fund, income tax, and any other material statutory dues with the appropriate authorities. And provision for employee's state insurance fund, sales tax, value added tax, wealth tax, service tax, custom duty, excise duty, cess are not applicable for the year. There are no undisputed statutory dues payable for a period of more than six month from the date they become payable as at 31st March 2018.

b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, wealth tax, service tax, entry tax, customs duty, GST and cess as at 31st March 2018, which has not been deposited on account of dispute.
8. The Company has not taken any loan from financial institution or bank or Government nor raised any fund through debentures. Hence this clause is not applicable to the Company.



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9. The Company has not raised any Initial Public Offer or further public offer and not obtained any term loan.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that we have not come across any instances of fraud by the company or any fraud on the company by its officers or employees that have been noticed or reported during the year nor have we been informed of such a case by management.
11. The Company has not paid any amount as managerial remuneration during the year.
12. The Company is not a Chit Fund Company/or Nidhi/ mutual benefit fund/society.
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the standalone Ind AS Financial Statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The company has not entered into non-cash transactions covered by Section 192 of Companies Act, 2013 with directors or persons connected with him.
16. The company is not engaged in the business of non-banking financial institution (NBFI) and not required to obtain a Certificate of Registration (CoR) from Reserve Bank of India to commence/carry on business of NBFI in terms of Section 45-IA of the RBI Act, 1934.

For A.H. DESAI & ASSOCIATES
CHARTERED ACCOUNTANTS
(Reg. No. 102282W)

(Y.A. Desai)

Membership No. 16487

Dated: April 20, 2018

Parshwa Deep, 2nd Floor,
140, Shamaldas Gandhi Marg,
Mumbai - 400 002.
India

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MAFATLAL SERVICES LIMITED
STANDALONE BALANCE SHEET AS ON MARCH 31, 2018

(Amt.₹)

PARTICULARS	NOTE No.	AS AT	AS AT	AS AT
		MARCH 31, 2018	MARCH 31, 2017	APRIL 1, 2016
<u>ASSETS</u>				
I. Non Current Assets				
(a) Financial Assets				
(i) Trade receivables	2.a	33,19,725	33,19,725	33,19,725
II. Current Assets				
(a) Financial Assets				
(i) Trade receivables	2.b	2,60,667	7,01,998	4,61,367
(ii) Cash and cash equivalents	2.c	1,54,859	2,96,257	3,20,714
(iii) Bank balance other than (ii) above	2.d	7,00,000	7,00,000	7,00,000
(iii) Others current assets	2.e	1,61,826	30,894	20,885
(iv) Loans / Advances	2.f	91,951	0	0
Total of Assets		46,89,027	50,48,874	48,22,691
<u>EQUITY AND LIABILITIES</u>				
Equity				
(a) Equity Share Capital	3	3,10,00,000	3,10,00,000	3,10,00,000
(b) Other Equity	4	(2,70,86,593)	(2,70,86,593)	(2,70,86,593)
Liabilities				
I. Non Current Liabilities				
(a) Financial Liabilities				
(i) Other Financial Liabilities	5.a	4,78,882	4,78,882	4,78,882
(b) Provisions	5.b	54,284	28,450	3,68,830
II. Current Liabilities				
(a) Financial Liabilities				
(i) Trade payables	6.a	15,000	5,90,198	61,572
(ii) Other Financial Liabilities	6.b	91,951	0	0
(b) Other current liabilities	6.c	1,00,783	10,937	0
(c) Provisions	6.d	34,720	27,000	0
Total of Equity and Liabilities		46,89,027	50,48,874	48,22,691
Summary of Significant Accounting Policies	1			

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

As per our report of even date

For A.H. DESAI & ASSOCIATES

Chartered Accountants

Registration No. 102282W



Yogesh A. Desai

Proprietor

Membership No.16487

Place: Mumbai

Date 20th April 2018

For and on behalf of the Board of Directors

MAFATLAL SERVICES LIMITED

H.A Mafatlal

Chairman

(DIN 00009872)



R.R.Likhite

Director

(DIN 00047169)



Place: Mumbai

Date

20th April 2018

MAFATLAL SERVICES LIMITED

Standalone statement of profit and loss for the year ended March 31, 2018

(Amt.₹)

PARTICULARS	NOTE No.	Year ended	Year ended
		MARCH 31, 2018	MARCH 31, 2017
i Revenue from operations	7.a	22,65,791	26,61,846
ii Other income	7.b	48,800	55,552
iii Total income(i+ii)		23,14,591	27,17,398
iv Expenses			
Employee benefit expenses	8	11,73,417	11,36,094
Other expenses	9	11,41,174	15,81,304
Total expenses(iv)		23,14,591	27,17,398
v Profit before exceptional items and tax(iii-iv)		-	-
vi Exceptional items		-	-
vi Profit/(loss) before tax(v-vi)		-	-
vi Tax expense			
- Current tax		-	-
- Deferred tax		-	-
Total tax expense/(credit)		-	-
ix Profit/(loss) for the period from continuing operations (vii-viii)		-	-
x Earning per equity share (for continuing operations)			
- Basic		-	-
- Diluted		-	-
Summary of Significant Accounting Policies	1		

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

As per our report of even date

For A.H. DESAI & ASSOCIATES

Chartered Accountants

Registration No. 102282W


Yogesh A. Desai

Proprietor

Membership No.16487

Place: Mumbai

Date :- 20th April 2018

For and on behalf of the Board of Directors

MAFATLAL SERVICES LIMITED

H.A Mafatlal

Chairman

(DIN 00009872)

R.R.Likhite

Director

(DIN 00047169)

Place: Mumbai

Date :- 20th April 2018

MAFATLAL SERVICES LIMITED
Standalone Statement of Cash Flows for the year ended March 31,2018

(Amt.₹)

PARTICULARS	Year ended	Year ended
	MARCH 31, 2018	MARCH 31, 2017
A. Cash Flow form Operating activities		
Net Profit/(Loss) after exceptional items and before tax as per the Statement of Profit and Loss	-	-
Adjustments to reconcile profit before tax to net cash flow-		
Interest Income	(48,800)	(55,552)
Operating Profit Before Working Capital Changes	(48,800)	(55,552)
Working Capital Changes:		
Change in current trade receivables	4,41,331	(2,40,630)
Change in other current assets	(1,30,932)	(10,010)
Change in current loans and advances	(91,951)	-
Change in non current provisions	25,834	(3,40,380)
Change in trade payable	(5,75,198)	5,28,626
Change in other financial liability	91,951	
Change in other current liability	89,846	10,937
Change in current provisions	7,720	27,000
Net change in Working Capital	(1,41,398)	(24,457)
Cash generated from Operations	(1,90,198)	(80,009)
Direct tax paid (Net of income tax refund)	-	-
Net Cash generated from Operating Activities	(1,90,198)	(80,009)
B. Cash Flow form Investing Activities		
Interest Income	48,800	55,552
Net Cash generated from Investing Activities	48,800	55,552
C. Cash Flow form Financing activities		
Net Cash generated from Financing Activities	-	-
Net Increase/(Decrease) in cash and cash equivalents	(1,41,398)	(24,457)
Cash and Cash Equivalents at the beginning of the year	2,96,257	3,20,714
Cash and Cash Equivalents at the end of the year	1,54,859	2,96,257

PARTICULARS	Year ended	Year ended
	MARCH 31, 2018	MARCH 31, 2017
Cash and cash equivalents comprise of : (Note No.2.c)		
Cash on hand	16,772	14,883
Balance with bank	1,38,086	2,81,374
Cash and cash equivalents	1,54,859	2,96,257

Note: The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flow.

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

As per our report of even date

For A.H. DESAI & ASSOCIATES

Chartered Accountants

Registration No. 102282W


Yogesh A. Desai

Proprietor

Membership No.16487

For and on behalf of the Board of Directors
MAFATLAL SERVICES LIMITED

H.A Mafatlal
Chairman
(DIN 00009872)

R.R.Likhite
Director
(DIN 00047169)





Place: Mumbai

Date :- 20th April 2018

Place: Mumbai

Date :- 20th April 2018

MAFATLAL SERVICES LIMITED
Standalone Statement of changes in Equity of year ended March 31, 2018

A. Equity share capital (Amt.₹)

Balance	Note No.3
As at April 1, 2016	310,00,000
Change in Equity Share Capital	-
As at March 31, 2017	310,00,000
Change in Equity Share Capital	-
As at March 31, 2018	310,00,000

B. Other Equity
Attributable to the equity holder

PARTICULARS	Reserves and Surplus Retained Earning Note No. 4	TOTAL
Balance as at April 1, 2016	(270,86,593)	(270,86,593)
Profit/Loss for the year	-	-
Balance as at March 31, 2017	(270,86,593)	(270,86,593)
Balance as at April 1, 2017	(270,86,593)	(270,86,593)
Profit/Loss for the year	-	-
Balance as at March 31, 2018	(270,86,593)	(270,86,593)

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

As per our report of even date

For A.H. DESAI & ASSOCIATES

Chartered Accountants

Registration No. 102282W


Yogesh A. Desai
Proprietor
Membership No.16487

Place: Mumbai

Date 20th April 2018

For and on behalf of the Board of Directors
MAFATLAL SERVICES LIMITED

H.A Mafatlal
Chairman
(DIN 00009872)



R.R.Likhite
Director
(DIN 00047169)



Place: Mumbai

Date 20th April 2018

1. Statement of Compliance and Basis of Preparation**1.1 Compliance with Ind AS**

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, amended by the Companies (Indian Accounting Standards) Rules, 2016 / 2017 and other relevant provisions of the Act. For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Accounting Standards specified in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provision of the Act. These financial statements for the year ended March 31, 2018 are the first financial statements that the Company has prepared in accordance with Ind AS.

Refer to Note 11 for information of how the transition from previous GAAP to Ind AS has affected the Company's Balance sheet, Statement of profit & loss and Statement of cash flow.

1.2 Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for the following

- i. Certain financial assets and liabilities measured at fair value
(refer accounting policy regarding financial instruments)
- ii. Defined benefit plans - plan measured at fair value.

1.3 Significant Accounting Policies

The following are the significant accounting policies applied by the Company in preparing its financial statements consistently to all the periods presented, including the preparation of the opening Ind AS Balance Sheet as at April 1, 2016 being the date of transition to Ind AS

1.3.1 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised within twelve months after the reporting period (with in operating period); or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Operating cycle

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

1.3.2 Use of estimates and judgements

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

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

1.3.3 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company, and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Rendering of services

Revenue is recognized based on the services rendered in accordance with the terms of contracts.

Interest income

Interest is recognised on a time-proportion basis, reflecting the effective yield of the asset.

1.3.4 Financial Instruments

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

Financial assets**i. Initial recognition and measurement of financial assets**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

ii. Subsequent measurement of financial assets

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

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)

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

iii. Derecognition of financial assets

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire
- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

iv. Reclassification

- When the company changes its business model for managing financial assets it shall reclassify all affected financial assets

Financial Liabilities

i. Initial recognition and measurement of financial liabilities

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

ii. Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below

- Financial liabilities at fair value through profit or loss
- Loans and Borrowings
- Financial guarantee contracts

iii. Derecognition of financial liabilities

A financial liability is derecognised from its balance sheet when, and only when, it is extinguished

Offsetting of financial instruments

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

1.3.5 Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

1.3.6 Employee Benefits

i. Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, gratuity, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

ii. Post-Employment Benefits-Defined contribution plan

The Company's approved provident fund scheme, super annuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

ii. Post-Employment Benefits-Defined benefit plan

The employee's gratuity fund scheme is defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation as on date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Leave encashment is provided on the basis of accumulated leave balance at the end of the year to the credit of each employee

1.3.7 Earnings per share

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year

Diluted EPS is calculated by dividing the profit / loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares

1.3.8 Provisions

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

1.3.9 Taxes

Tax expense comprises of current income tax.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

MAFATLAL SERVICES LIMITED
NOTES TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2018

(Amt.₹)

NON CURRENT ASSETS
Financial Assets
2.a Trade Receivables

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
i. Unsecured - Considered good*	33,19,725	33,19,725	33,19,725
Less: Provision for doubtful debts	-	-	-
	33,19,725	33,19,725	33,19,725

* Trade receivable are valued at its actuals.

CURRENT ASSETS
Financial Assets
2.b Trade Receivables

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
i. Unsecured - Considered good*	2,60,667	7,01,998	4,61,367
Less: Provision for doubtful debts	-	-	-
	2,60,667	7,01,998	4,61,367

* Trade receivable are valued at its actuals.

2.c Cash and Cash Equivalents

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
i. Balance with bank			
- in current accounts	1,38,086	2,81,374	3,07,546
ii. Cash in hand	16,772	14,883	13,168
	1,54,859	2,96,257	3,20,714

2.d Other Bank Balance

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
i. Deposit with maturity more than 3 months but less ten 12 months	7,00,000	7,00,000	7,00,000
	7,00,000	7,00,000	7,00,000

2.e Other Current Assets

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
i. Balance with revenue authorities	1,21,678	30,894	20,884
ii. Interest accrued	40,148	-	-
	1,61,826	30,894	20,884

2.f Loans/Advances

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
i. Other advances	91,951	-	-
	91,951	-	-

MAFATLAL SERVICES LIMITED
NOTES TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2018

(Amt. ₹)

3 Equity Share Capital

	AS AT MARCH 31, 2018		AS AT MARCH 31, 2017		AS AT APRIL 1, 2016	
	No. of shares	₹	No. of shares	₹	No. of shares	₹
Authorised : Equity Shares of ₹ 100/- each.	3,50,000	350,00,000	3,50,000	350,00,000	3,50,000	350,00,000
Issued and subscribed share capital Equity Shares of ₹ 100/- each.	3,10,000	310,00,000	3,10,000	310,00,000	3,10,000	310,00,000
Subscribed and fully paid Equity Shares of ₹ 100/- each.	3,10,000	310,00,000	3,10,000	310,00,000	3,10,000	310,00,000
Total	3,10,000	310,00,000	3,10,000	310,00,000	3,10,000	310,00,000

3.1 Number of equity shares outstanding at the beginning of the year and at the end of year are same.

3.2 Terms/Right attached to equity shares

The company has only one class of equity shares having a par value of ₹ 100/- per share. Each equity shareholder is entitled to one vote per share.

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 share holders.

3.3 Number of shares held by each of share holder holding more than 5% shares in the company

Name of Shareholder	AS AT MARCH 31, 2018		AS AT MARCH 31, 2017		AS AT APRIL 1, 2016	
	No. of shares	%	No. of shares	%	No. of shares	%
Mafatlal Industries Limited	2,72,800	88.00	2,72,800	88.00	2,72,800	88.00
PIL Chemicals Private Limited	22,319	7.20	22,319	7.20	22,319	7.20

4 Other Equity

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
Retained Earning	(270,86,593)	(270,86,593)	(270,86,593)
	(270,86,593)	(270,86,593)	(270,86,593)

MAFATLAL SERVICES LIMITED

NOTES TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2018

Non Current liabilities

(Amt.₹)

Financial Liability

5.a Other Financial Liabilities

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
i. Advances - Unsecured	4,78,882	4,78,882	4,78,882
	4,78,882	4,78,882	4,78,882

5.b Provisions

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
i. Leave Encashment (unfunded)	54,284	28,450	3,68,830
	54,284	28,450	3,68,830

Current liabilities

Financial Liability

6.a Trade Payable

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
i. Others	15,000	5,90,198	61,572
	15,000	5,90,198	61,572

6.b Other Financial Liability

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
i. Advances	91,951	-	-
	91,951	-	-

6.c Other Current Liability

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
i. Statutory Dues(GST, Tds)	63,583	10,937	-
ii. Employees allowances payable	37,200	-	-
	1,00,783	10,937	-

6.d Provision

	AS AT MARCH 31, 2018	AS AT MARCH 31, 2017	AS AT APRIL 1, 2016
i. Gratuity (Funded)	31,000	27,000	-
ii. Provident Fund	3,720	-	-
	34,720	27,000	-

MAFATLAL SERVICES LIMITED**NOTES TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2018**

(Amt.₹)

7.a Revenue from Operations

	YEAR ENDED MARCH 31, 2018	YEAR ENDED MARCH 31, 2017
i. Services Rendered	22,65,791	26,61,846
	22,65,791	26,61,846

7.b Other Income

	YEAR ENDED MARCH 31, 2018	YEAR ENDED MARCH 31, 2017
i. Interest Income		
- interest on bank deposit	48,800	54,336
- interest on income tax refund	-	1,216
	48,800	55,552

8 Employees Benefit Expenses

	YEAR ENDED MARCH 31, 2018	YEAR ENDED MARCH 31, 2017
i. Salary and wages	9,51,357	8,74,989
ii. Contribution to provident fund and other funds	1,38,060	1,95,772
iii. Staff welfare expenses	84,000	65,333
	11,73,417	11,36,094

9 Other Expenses

	YEAR ENDED MARCH 31, 2018	YEAR ENDED MARCH 31, 2017
Audit fees	15,000	15,000
Bank charges	324	-
Maintenance to software	1,28,708	24,069
Conveyance	1,72,611	1,51,049
General expenses	65,165	67,469
Telephone and postage	40,276	40,244
Legal and professional fees	6,65,350	6,76,300
Rate and taxes	3,277	3,940
Printing and stationery	33,008	31,525
Books and periodicals	17,455	24,869
Repair and maintenance	-	5,46,839
Miscellaneous expenses	-	62,74,569
less : recovered	-	(62,74,569)
	11,41,174	15,81,304

MAFATLAL SERVICES LIMITED
NOTES TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2018
10 Disclosure pursuant to Related Party

As per the Ind AS on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows :

i. Name of Related Parties and Nature of Relationship :
Holding Company:

Mafatlal Industries Limited

ii. Disclosure in respect of Related Party Transactions :

PARTICULARS	FOR YEAR 2017-18	FOR YEAR 2016-17
Mafatlal Industries Limited		
Service Rendered	8,38,342	69,96,589
Amount Recivable	1,37,514	2,62,660
Current loans/advance receivable	19,030	-
Current financial liability	19,030	-

11 FIRST TIME ADOPTION TO IND AS

As stated in Note 1, the Company's financial statements for the year ended March 31, 2018 are the first annual financial statements prepared in compliance with Ind AS. The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2016 as the transition date. Ind AS 101 requires that all Ind AS standards that are effective for the first Ind AS financial statements for the year ended March 31, 2018, be applied consistently and retrospectively for all fiscal years presented.

All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Previous GAAP as of the transition date have been recognized directly in equity (retained earnings) at the transition date. In preparing these financial statements, the Company has availed itself of certain exemptions and exceptions in accordance with Ind AS 101

Mandatory exceptions from retrospective application

Estimates: On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

Classification and measurement of financial assets: The Company has classified and measured the financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS

Derecognition of financial assets and financial liabilities: The Company has opted to apply the exemption available under Ind AS 101 to apply the derecognition criteria of Ind AS 109 prospectively for the transactions occurring on or after the date of transition to Ind AS.

Transition to Ind AS Reconciliations

The following reconciliations provide the explanations and quantifications of the differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101

i. Reconciliation of Total Equity as at March 31, 2017 and April 1, 2016 No Change

ii. Reconciliation of Total Comprehensive income for the year ended March 31, 2017 No Change

iii. Adjustment to the Statement of Cash Flows for the year ended 31st March, 2017

- There were no material differences between the Statement of Cash Flows presented under Ind AS and previous GAAP

Notes:

Non current trade debtors amounting to Rs.3319725 comprises of dues receivable from two companies which were previously serviced by MSL. Transaction value of these receivables has not been revised in view of an undertaking being received by MSL that dues payable to a director of these two companies from a trust serviced by MSL may be adjusted against these receivables.

12 Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with Financial Statements prepared under Ind AS