



**N. K. JALAN & CO.**  
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**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF POLO QUEEN SOLUTIONS LIMITED**

**Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of Polo Queen Solutions Limited (the "Company"), which comprise the Balance Sheet as at 31 March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the 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 financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

**Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. In conducting 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 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 obtained by us 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, of the state of affairs of the Company as at 31 March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date

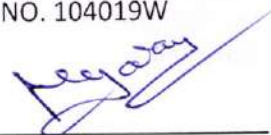
## Report on other Legal and Regulatory Requirements

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 Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the statement of changes 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 (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on 31st March, 2018, 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 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, we give our separate Report in "Annexure 2".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company 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 Protection Fund by the Company.

PLACE: MUMBAI  
DATED: 21/05/2018



FOR N.K. JALAN & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 104019W

  
(N.K. JALAN) PROPRIETOR  
Membership No.0 11878



**Annexure 1 to the Independent Auditors' Report**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**


- (i) In respect of its fixed assets:
  - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets. However no separate fixed asset register is maintained.
  - (b) The fixed assets are physically verified by the management according to a phased program designed to cover all the items over a period, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification. However no written report is available.
  - (c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As per the information and explanation given to us, there is no outstanding in respect of loan given to any party covered in the register maintained under Section 189 of the Act.
- (iv) As per the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) As per the information and explanations given to us, in respect of the class of industry in which the Company falls, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) In respect of statutory dues:
  - (a) The company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of above dues were in arrears, as at 31st March, 2018 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanation given to us, the company has not defaulted in repayment of dues to bank / financial institutions. The Company has not taken loan from government or has no dues to debenture holders.

- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) or term loans hence reporting under clause (ix) of the CARO 2016 order is not applicable to company
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) As per the information and explanations given to us, managerial remuneration has been paid / provided 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 (xii) of paragraph 3 of the Order are not applicable to the Company.
- (xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- (xvi) As per the information and explanation given to us, the Company is not required to be registered under Section 45-IA(6) of the RBI Act, 1934

PLACE: MUMBAI  
DATED: 21/05/2018



FOR N.K. JALAN & CO.  
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## **Annexure 2 to the Independent Auditors' Report**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of POLO QUEEN SOLUTIONS LTD ("the Company") as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the standalone Ind AS 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

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

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

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

### **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.

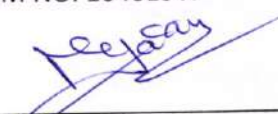
### Opinion

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 31<sup>st</sup> March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. Our opinion is not modified in respect of this matter.

PLACE: MUMBAI  
DATED: 21/05/2018



FOR N.K. JALAN & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 104019W

  
(N.K. JALAN) PROPRIETOR  
Membership No.0 11878



**POLO QUEEN SOLUTIONS LIMITED**  
**Balance Sheet as at March 31, 2018**

	Note No.	As at March 31, 2018 INR	As at March 31, 2017 INR
<b>I. ASSETS</b>			
(1) Non-current assets			
(a) Property, Plant and Equipment			-
(b) Capital work-in-progress			-
(c) Goodwill			-
(d) Other Intangible assets			-
(e) Financial Assets			-
(i) Investments in subsidiaries, Associate and Joint venture			-
(ii) Other Investments			-
(iii) Loans			-
(iv) Others			-
(f) Deferred tax assets (net)	2	7,751	13,951
(g) Other non-current assets			-
(h) Non-Current Tax Assets (Net)			-
<b>Total non current assets</b>		<b>7,751</b>	<b>13,951</b>
(2) Current Assets			
(a) Inventories			-
(b) Financial Assets			
(i) Trade receivables			-
(ii) Cash and cash equivalents	3	8,459	386,516
(iii) Bank balances other than (iii) above			-
(iv) Loans	4	386,822	-
(v) Others			-
(c) Current Tax Assets			-
(d) Other current assets			-
<b>Total current assets</b>		<b>395,282</b>	<b>386,516</b>
<b>TOTAL ASSETS</b>		<b>403,033</b>	<b>400,467</b>
		<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
	Notes	INR	INR
<b>II. EQUITY AND LIABILITIES</b>			
(1) Equity			
(a) Equity share capital	5	500,000	500,000
(b) Other equity	6	(108,895)	(115,634)
<b>Total equity</b>		<b>391,105</b>	<b>384,366</b>
(2) Non current liabilities			
(a) Financial liabilities			
(i) Borrowings			-
(ii) Others			-
(b) Provisions			-
(c) Other non-current liabilities			-
<b>Total non current liabilities</b>		<b>-</b>	<b>-</b>
(3) Current liabilities			
(a) Financial liabilities			
(i) Trade payables			-
(ii) Other financial Liabilities			-
(b) Other current liabilities	7	11,801	16,101
(d) Current tax liabilities (net)	8	126	-
<b>Total Current liabilities</b>		<b>11,927</b>	<b>16,101</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>403,033</b>	<b>400,467</b>
<p>As per our report of Even Date  For N. K. JALAN &amp; CO.  Chartered Accountants  Firm Reg No : 104019 W</p> <p>CA N K JALAN  PROPRIETOR  Mem. No. 011878</p> <p>Place : Mumbai  Date : 21.05.2018</p>			
<p align="center">For POLO QUEEN SOLUTIONS LIMITED</p> <p align="center">PRABHAS SANGHAI  DIRECTOR  (DIN - 00302947)</p> <p align="center">RAHUL SANGHAI  DIRECTOR  (DIN - 00181745)</p> <p align="center">UDIT SANGHAI  DIRECTOR  (DIN - 06725206)</p>			

**POLO QUEEN SOLUTIONS LIMITED**  
**Statement of profit and loss for the year ended March 31, 2018**

	Note No.	For the Year end March 31, 2018 INR	For the Year end March 31, 2017 INR
<b>Revenue</b>			
I. Revenue from Operations (Gross)		-	-
II. Other income	9	43,606	-
<b>III. Total Income (I+II)</b>		<b>43,606</b>	<b>-</b>
<b>IV. Expenses</b>			
Cost of materials consumed		-	-
Cost of Services rendered		-	-
Purchase of stock-in-trade (Traded goods)		-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade		-	-
Employee Benefits Expenses		-	-
Finance Cost		-	-
Depreciation and Amortization Expenses		-	-
Other Expenses	10	26,179	129,585
<b>Total Expenses (IV)</b>		<b>26,179</b>	<b>129,585</b>
<b>V. Profit/(loss) before Tax</b>		<b>17,427</b>	<b>(129,585)</b>
<b>VI. Tax expense:</b>			
1. Current Tax		4,487	-
2. Deferred Tax		6,200	(13,951)
<b>VII. Profit/(Loss) for the period</b>		<b>6,739</b>	<b>(115,634)</b>
<b>VIII. Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>IX. Total comprehensive income for the period</b>		<b>6,739</b>	<b>(115,634)</b>
<b>X. Earnings per equity share</b>			
Basic and diluted earnings per share		0.13	(2.31)
<b>Significant Accounting Policies</b>	1		

As per our report of Even Date  
For N. K. JALAN & CO.  
Chartered Accountants  
Firm Reg No : 104019 W

CA N K JALAN  
PROPRIETOR  
Mem. No. 011878

Place : Mumbai  
Date : 21.05.2018



For POLO QUEEN SOLUTIONS LIMITED

PRABHAS SANGHAI  
DIRECTOR  
(DIN - 00302947)

RAHUL SANGHAI  
DIRECTOR  
(DIN - 00181745)

UDIT SANGHAI  
DIRECTOR  
(DIN - 06725206)





## **POLO QUEEN SOLUTIONS LIMITED**

### **Accompanying notes to the financial statements for the year ended 31<sup>st</sup> March, 2018**

**Company Overview:** Polo Queen Solutions Limited is a wholly owned subsidiary of Polo Queen Industrial and Fintech Limited.

#### **1. SIGNIFICANT ACCOUNTING POLICIES**

##### **(i) Basis of Preparation of financial statements:**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention (except for certain financial instruments that are measured at fair values at the end of each reporting period) on accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements for the year ended March 31, 2018 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended March 31, 2017 and the opening Balance Sheet as at April 01, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Equity, Total Comprehensive Income and Cash Flows are provided in note.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 01, 2016 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

##### **(ii) Basis of Measurement**

These financial statements are prepared under the historical cost convention unless otherwise indicated

##### **(iii) Key estimates and assumptions**

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported



amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- Determination of the estimated useful lives of tangible assets and the assessment as to which component of the cost may be capitalized.
- Impairment of Property, Plant and Equipment's
- Recognition and measurement of defined benefit obligations
- Recognition of deferred tax assets
- Fair value of financial instruments
- Provisions and Contingent Liabilities

(iv) **Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable



### **Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage

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

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

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

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

### **Off setting of financial instruments**

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

### **(v) Impairments of Non-financial assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset

When there is indication that an impairment loss recognized for an asset in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

### **(vi) Revenue recognition**

Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods. Sales are inclusive of excise duty and net of returns, trade discounts, rebates and sales taxes.



Income from processing operations is recognised on completion of production / dispatch of the goods, as per the terms of contract.

Dividend income is recognised when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably.

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably

**(vii) Borrowing costs**

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred

**(viii) Taxes on Income**

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date

**Deferred Tax**

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.



Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to off set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority

(ix) **Accounting for provisions, contingent liabilities and contingent assets**

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable

(x) **Earnings per share**

Basic Earnings per share is calculated by dividing the net profit / (loss) for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares

**POLOQUEEN SOLUTIONS LIMITED**

**Cash Flow Statement for the year ended March 31, 2018**

Particulars	As at March 31, 2018	From March 3, 2016 to March 31, 2017
	INR	INR
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	17,427	(129,585)
Adjustments for:		
Depreciation and amortisation expense	-	-
Interest paid	-	-
Operating Profit before Working Capital changes	17,427	(129,585)
Changes in assets and liabilities		
Increase/(Decrease) in Trade Payables	-	-
Increase/(Decrease) in Other Current Liabilities	(4,300)	16,101
Increase/(Decrease) in Short Term Provisions	-	-
Decrease/ (Increase) in Trade Receivables	-	-
Decrease/(Increase) in Inventories	-	-
Decrease/(Increase) in Other Current Assets	-	-
(Increase)/Decrease in Short Term Loans & Advances	(386,822)	-
<b>Cash Generated From Operations</b>	(373,695)	(113,484)
Income taxes paid	4,361	
<b>NET CASH FLOW FROM (USED IN) OPERATING ACTIVITIES</b>	(378,056)	(113,484)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of tangible assets	-	-
Purchase of Investment	-	-
Long Term Loans & Advances	-	-
<b>NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issue of Share Capital		500,000
Increase/(Decrease) in short term borrowings	-	-
Long term borrowings	-	-
Interest Paid	-	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	-	500,000
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(378,056)	386,516
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	386,516	-
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	8,460	386,516

As per our report Of Even Date

For N. K. JALAN & CO.

Chartered Accountants

Firm Reg No : 104019 W

CA N K JALAN  
PROPRIETOR  
Mem. No. 011878



Place : Mumbai  
Date : 21.05.2018

For POLO QUEEN SOLUTIONS LIMITED

PRABHAS SANGHAI  
DIRECTOR  
(DIN - 00302947)

RAHUL SANGHAI  
DIRECTOR  
(DIN - 00181745)

UDIT SANGHAI  
DIRECTOR  
(DIN - 06725206)





**Note : 5****Share capital**

	Amt in Rs.	Amt in Rs.
	31-Mar-18	31-Mar-17
<b>a. Details of authorised, issued and subscribed share capital</b>		
<b>Authorised Capital</b>		
1,00,000 Equity shares of Rs 10/- each	1,000,000.00	1,000,000
<b>Issued, Subscribed and fully Paid up</b>		
50,000 Equity shares of Rs 10/- each	500,000.00	500,000
	500,000	500,000

**b. Reconciliation of number of shares at the beginning and at the end of the year**

Particulars	31-Mar-18		31-Mar-17	
	No. of shares	Amt in Rs.	No. of shares	Amt in Rs.
Shares outstanding at the beginning of the year	50,000	500,000	50,000	500,000
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	50,000	500,000	50,000	500,000

**d. Shareholders holding information**

Particular	31-Mar-18		31-Mar-17	
	No. of shares	Percentage	No. of shares	Percentage
Equity shares held by Holding Company Polo Queen Industrial and Fintech Limited	50,000	100%	50,000	100%

**e. The company has only one class of shares referred to as equity shares having a par value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share.**

**Notes to financial statements for the year ended March 31, 2018**

Particulars	As at March 31, 2018 INR	As at March 31, 2017 INR
<b>Note 2</b>		
<b>Deferred Tax Assets</b>		
Preliminary Expenses balance as per Income tax Act	30,100	45,150
Preliminary Expenses balance as per Companies act	-	-
Difference on balances	30,100	45,150
Defferd tax Asstes on above	7,751	13,951
	<b>7,751</b>	<b>13,951</b>
<b>Note 3</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	54	464
Balance with banks		
- Current accounts	8,405	386,052
	<b>8,459</b>	<b>386,516</b>
<b>Note 4</b>		
<b>Short term loans</b>		
Unsecured considered good		
Loans & advances to Related Party	386,822	
	<b>386,822</b>	<b>-</b>
<b>Note 6</b>		
<b>Other Equity</b>		
Refer statement of change of equity for detailed movement in equity balance		
Retained Earnings	(108,895)	(115,634)
	<b>(108,895)</b>	<b>(115,634)</b>
<b>Note 7</b>		
<b>Other current liabilities</b>		
Creditor for expenses	11,801	16,101
	<b>11,801</b>	<b>16,101</b>
<b>Note 8</b>		
<b>Current tax liabilities (net)</b>		
Income Tax liabilities	126	-
	<b>126</b>	<b>-</b>



**Statement of Changes in Equity (SOCIE)**

<b>(a) Equity share capital</b>		<b>Note</b>	<b>Amount in INR</b>
Balance as at April 1, 2016			500,000
Changes in equity share capital during 2016-17			-
Balance as at March 31, 2017			500,000
Changes in equity share capital during the year			-
Balance as at March 31, 2018			500,000
<b>(b) Other equity</b>			
Particulars	Note	Reserves & Surplus	
		Retained Earnings	
Balance at April 1, 2016		-	
Profit for the year		(115,634)	
Other comprehensive income for the year		-	
Balance at March 31, 2017		(115,634)	
Profit for the year		6,739	
Other comprehensive income for the year		-	
Balance at March 31, 2018		(108,895)	

As per our report of Even Date  
For N. K. JALAN & CO.  
Chartered Accountants  
Firm Reg No : 104019 W

CA N K JALAN  
PROPRIETOR  
Mem. No. 011878



Place : Mumbai  
Date : 21.05.2018

For POLO QUEEN SOLUTIONS LIMITED

PRABHAS SANGHAI  
DIRECTOR  
(DIN - 00302947)

RAHUL SANGHAI  
DIRECTOR  
(DIN - 00181745)

UDIT SANGHAI  
DIRECTOR  
(DIN - 06725206)



**Notes to financial statements for the year ended March 31, 2018**

Particulars	For the year ended March 31, 2018 INR	For the year ended March 31, 2017 INR
<b>Note 9</b>		
<b>Other Income</b>		
Interest income on :		
- Loans and Advances to related Party	13,136	-
- Loans and Advances to Other	30,470	-
	<b>43,606</b>	<b>-</b>
<b>Note 10</b>		
<b>Other Expenses</b>		
Repairs and Maintenance :	3,000	3,450
Rates and taxes (net of reversals)	2,340	-
Incorporation Expenses	-	75,250
Legal and professional	5,000	-
Payment to auditor	10,000	16,100
Bank charges	119	178
Books, Periodicals & Membership	5,310	34,607
Filing Fees	410	-
Miscellaneous expenses	-	-
	<b>26,179</b>	<b>129,585</b>



# 11 Related party Disclosure

## 1. Relationships

### a Enterprises in which Key Management Personnel have significant Influence

Polo Queen Industrial and Fintech Ltd  
Polo Queen Capital Ltd

### b Key Management Personnel and their relatives:

- 1 Rahul Sanghai Director
- 2 Prabhas Sanghai Director
- 3 Udit Sanghai Director

## 2. Amount involved for parties referred in 1 (a) and 1 (b)

Nature of Transactions	Referred in		Referred in	
	1(a)		1(b)	
	As at 31st March 2018	From 3rd March 2016 to 31st March 2017	As at 31st March 2018	From 3rd March 2016 to 31st March 2017
Salary & Director Remuneration	-	-	-	-
Compensation Charges	-	-	-	-
Interest Received	11,822	-	-	-
Interest Paid	-	-	-	-
Loan Taken	10,000	23,450	-	-
Loan Repaid/Given	385,000	23,450	-	-

12 Previous year's figures have been regrouped / rearranged wherever necessary, so as to make them comparable with those of the current year.

13 Segment Reporting is not applicable.

As per our report Of Even Date  
For N. K. JALAN & CO.  
Chartered Accountants  
Firm Reg No : 104019 W

N K JALAN  
PROPRIETOR  
Mem. No. 011878

Place : Mumbai  
Date : 21.05.2018



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PRABHAS SANGHAI  
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