

***Prithvi Exchange***<sup>®</sup>



**23<sup>rd</sup>**  
**ANNUAL**  
**REPORT**  
**2018**

# PRITHVI EXCHANGE ( INDIA ) LIMITED

## BOARD OF DIRECTORS

Name of Director	DIN	Designation
Mr. Deenadayalan Kuppuswamy Narayanaswamy	02910246	Chairman
Mr. Suresh Kumar	06691575	Director
Mr. Pavan Kumar Kavadi	07095542	Whole-time Director
Ms. Anuradha Jayaraman	00747419	Independent Woman Director
Mr. Mahavir Chand	00671041	Independent Director

### AUDITORS:

DIYALI B AND ASSOCIATES  
Chartered Accountants,  
A9, Maruti Apartments,  
87 Dr. Alagappa Road,  
Chennai – 600 084  
Ph:044 2642 2500 / 94449 06021

### REGISTERED OFFICE:

No. 11, East Spur Tank Road  
Chetpet,  
Chennai – 600 031.

**CIN No: L30006TN1995PLC031931**

Phone: 044 - 4343 4252

Website: www.prithvifx.com

### REGISTRAR & TRANSFER AGENT

Integrated Registry Management Services Pvt Ltd,  
2<sup>nd</sup> Floor, Kences Towers,  
No.1 Ramakrishnan Street,  
North Usman Road, T-Nagar,  
Chennai – 600 017.  
Tel : 044 - 2814 0801 / 02 / 03

### CORPORATE LAW ADVISOR

V.ESAKI & ASSOCIATES  
Company Secretaries  
52/A, VOC Nagar, Nehru Street,  
Anna Nagar, East,  
Chennai – 600 102

### BANKERS

Axis Bank Ltd. / HDFC Bank Ltd.  
ICICI Bank Ltd. / IDBI Bank Ltd.  
Bank of Baroda / IOB / RBL / YES Bank  
State Bank of Mysore / IndusInd Bank  
Andhra Bank / Corporation Bank  
Karnataka Bank / Kotak Mahindra Bank

### TWENTY THIRD ANNUAL GENERAL MEETING

Date : 17/09/2018

Day : Monday

Time : 11.30 A.M

Place : Namma Veedu Vasanthha Bhavan  
No.2,Poonamallee High Road,  
Maduravoyal, Varalakshmi Nagar,  
Opposite MGR University, Chennai – 600095

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# **PRITHVI EXCHANGE ( INDIA ) LIMITED**

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## **NOTICE TO THE SHAREHOLDERS**

Notice is hereby given that the 23<sup>rd</sup> Annual General Meeting of the company will be held on Monday the 17th day of September 2018 at 11:30 A.M. at Namma Veedu Vasantha Bhavan, No.2, Poonamallee High Road, Maduravoyal, Varalakshmi Nagar, Opposite MGR University, Chennai – 600 095 for transacting the following business:

### **ORDINARY BUSINESS**

1. To Receive, Consider and Adopt the Audited Balance Sheet of the Company as on 31<sup>st</sup> March 2018, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a dividend on Equity Shares for the year ended 31<sup>st</sup> March, 2018.
3. To appoint Mr. Mahavir Chand ( DIN00671041 ), director who is retiring by rotation and being eligible offers himself for reappointment
4. To Appoint Auditors and to Fix their remuneration.

For and on behalf of the Board

Sd/-

Pavan Kumar Kavadi

Whole Time Director

DIN : 07095542

Place: Chennai

Date : 10/08/2018

### **NOTES:-**

1. Any member entitled to attend and vote at the meeting may appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the company. The proxies should however be deposited at the registered office of the company not less than 48 hours before the time fixed for the commencement of the meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. The Statement of material facts pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business (if any) shall form part of the Notice.
4. The Register of Members of the Company will remain closed from 10th September 2018 to 17th September 2018 (both days inclusive) for annual closing.
5. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at this meeting, will be paid within a period of 30 days from the date of declaration, in respect of those members who hold shares in physical form and whose names appear on the Register of Members as on 09.09.2018 and for those who hold shares in electronic form as per the details furnished by the Depositories for this purpose as at the close of the business hours on 09.09.2018.

## **PRITHVI EXCHANGE ( INDIA ) LIMITED**

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6. Pursuant to Section 124 (5) of the Companies Act, 2013, all unclaimed dividends shall be transferred to the 'Investor Education and Protection Fund' of the Central Government after a period of 7 years from the date of declaration. Shareholders who have not cashed the dividend warrants for the years 2010-2011 to 2016-17 are requested to write to the Registrar and Share Transfer Agents of the Company, M/s. Integrated Registry Management Services Private Limited, 2nd Floor, Kences Towers, No.1 Ramakrishnan Street, North Usman Road, T-Nagar, Chennai – 600 017 Tel : 044-28140801/02/03 for claiming the dividend.
7. Dividend declared in the year 2010-2011 for the financial year ended as on 31-03-2011 and remaining unclaimed will be transferred to Investor Education and Protection Fund after conclusion of this Annual General Meeting.
8. The Notice of the AGM along with the Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode. We encourage your participation and request your support in this regard. To receive communications from the Company in electronic form, please register your e-mail address with your Depository Participant(s) / Registrar and Share Transfer Agent (RTA) or write to us.
9. Members may also note that the notice of the Annual General Meeting and the Annual Report 2018 will be available on the Company's Website: [www.prithvix.com](http://www.prithvix.com).
10. Members holding shares in physical form are requested to notify to the Company immediately of any change in their residential and e-mail address to the Registrar and Transfer Agents: INTEGRATED REGISTRY MANAGEMENT SERVICE PRIVATE LIMITED, 2nd Floor, Kences Towers, No.1, Ramakrishnan Street, North Usman Road, T-Nagar, Chennai – 600 017. Tel : 044-28140801/02/03.
11. Members holding shares in dematerialized form may inform the change in their residential and e-mail address to their Depository Participants.
12. Members who are holding shares in identical order of names in more than one account are requested to intimate to the Company, the ledger folio of such accounts together with the share certificate(s) to enable the Company to consolidate all the holdings into one account. The share certificate (s) will be returned to the members after necessary endorsements.
13. Proxies Members should bring the attendance slip duly filled in for attending the meeting.
14. All documents referred to in the accompanying notice and the explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 will be available for inspection at the registered office of the Company during the business hours on all working days up to the date of declaration of results of the Annual General Meeting of the Company.
15. Brief resume, details of shareholding and Directors inter-se relationship of Directors seeking election / reelection, as required under Reg. 36 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India are provided where ever required.

## PRITHVI EXCHANGE ( INDIA ) LIMITED

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16. Any member who needs any clarification on accounts or operations of the Company shall write to the Compliances Officer which should reach at least 7 days before the meeting, so that the information required can be made available at the meeting.

17. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI(LODR) 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting services.

(i) The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

(ii) The facility for voting through ballot paper/polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

(iii) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

(iv) The remote e-voting period commences on 12/09/2018 (9:00 AM) and ends on 16/09/2018 (5:00 PM). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 09/09/2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolutions are cast by the members, the members shall not be allowed to change it subsequently.

(v) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 09/09/2018.

(vi) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 09/09/2018, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company / RTA.

(vii) However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by "Forgot User Details / Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com), or contact NSDL at the following toll free No: 1800-222-990.

(viii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

(ix) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication (s).

(x) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

(xi) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

## PRITHVI EXCHANGE ( INDIA ) LIMITED

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(xii) V.Esaki, Practising Company Secretary (Membership No. 30353), Proprietor of M/s. V.Esaki & Associates Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting at the AGM and the remote e-voting process in a fair and transparent manner.

(xiii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

(xiv) The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast

### Information about director seeking appointment / re-appointment in this Annual General Meeting

<b>Name of the Director</b>	<b>Mr. Mahavir chand</b>
DIN	00671041
Father's Name	Phul chand
Date of Birth	03/09/1972
Educational Qualifications	MCom & CFA Finance
Experience	3 Years
Date of Appointment	29.09.2015
Directorships in other listed company	Nil
Committee Memberships in other listed company	Nil
Number of shares held	Nil

Place : Chennai  
Date : 10/08/2018

**For and on behalf of the Board**  
**Sd/-**  
**Pavan Kumar Kavad**  
**Whole Time Director**  
**DIN No: 07095542**

# PRITHVI EXCHANGE ( INDIA ) LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Dear Shareholders,

We have pleasure in presenting the 23<sup>rd</sup> Annual Report and Audited Statements of Accounts of the Company for the year ended 31<sup>st</sup> March, 2018.

### FINANCIAL RESULTS AND STATE OF COMPANY'S AFFAIRS

The financial results for the year ended 31<sup>st</sup> March 2018 are as under:

Rs.(InLacs)

Particulars	31.03.2018	31.03.2017
Income	968	952
Total Expenses	671	625
Profit before depreciation	316	343
Depreciation	20	16
Profit/(loss) before Tax	297	327
Provision for taxation	113	115
Profit/(loss) After Tax	185	212

### STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Our Company has earned a net profit of INR 1,84,72,484/- compared to the previous year net profit which was INR 2,12,09,313/-.

### CHANGES IN SHARE CAPITAL

The Paid up Equity Share Capital as on March 31, 2018 was Rs. 5,49,97,670/- comprising 54,99,767 shares of 10/- each. During the year under review the company has not made any fresh issue of shares.

### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

There was no material change or commitment, affecting the financial position of the Company between the end of the financial year of the Company and the date of the report other than those disclosed in the financial statements.

### DIVIDEND

The board recommends a dividend of Rs.0.50 Per share exclusive of dividend tax for the financial year ended 31<sup>st</sup> March 2018 which will absorb a sum of Rs. 27.50 lakhs.

### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of the Companies Act, 2013 any unclaimed or unpaid Dividend relating to the financial year 2010-11, will be transferred to the Investor Education and Protection Fund established by the Central Government, after the conclusion of this Annual General Meeting.

## PRITHVI EXCHANGE ( INDIA ) LIMITED

### TRANSFER TO GENERAL RESERVE

The company has transferred the surplus amount to Reserves & surplus account.

### FIXED DEPOSIT

The company has not accepted any fixed deposit during the year.

### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans given and investment made by the company have been given in notes to the Financial Statement.

The company has not given any guarantee / security during the year pursuant to the provisions of Section 186 of the Companies Act, 2013

### BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Name of Director	Designation
Mr. Deenadayalan Kuppuswamy Narayanaswamy	Chairman
Mr. Suresh Kumar	Director
Mr. Pavan Kumar Kavadi	Whole-time Director
Ms. Anuradha Jayaraman	Independent Woman Director
Mr. Mahavir Chand	Independent Director

There was no change in the composition of the Board of Directors and Key Managerial Personnel of the Company since last Annual General Meeting.

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Mahavir chand, Independent Director is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") and being eligible offers himself for re-appointment. Your directors recommend the re-appointment of Mr. Mahavir chand.

Key managerial personnel Ms. Gayathri, got appointed as Company Secretary on 01 st June 2017.

### DECLARATION OF INDEPENDENT DIRECTORS

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any joint venture, subsidiary or associate company.

### BOARD EVALUATION

Pursuant to the provisions of the Companies Act 2013 the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its various committees. The directors held separate discussions with each of the Directors of the Company and obtained their feedback on overall board effectiveness as well as each of the other Directors.

A Separate meeting of the independent directors was convened, which reviewed the performance of the Board (as a whole), the non-independent directors and the Chairman. Post the separate meeting of the Independent Directors, collective feedback of each Independent Directors, was discussed by the Chairman of the meeting.



## PRITHVI EXCHANGE ( INDIA ) LIMITED

### MEETINGS OF THE BOARD OF DIRECTORS

During the year 2017-2018, Four (4) Board meetings were held on the following dates :

Date of Meeting	No.of Directors entitled to attend meeting	No. of Directors attended meeting
27/05/2017	5	5
05/08/2017	5	3
10/11/2017	5	4
03/02/2018	5	5

### COMPOSITION OF AUDIT COMMITTEE

The composition of the members of the Committee is as under:

Name of Member	Designation
Mr.Deenadayalan Kuppuswamy Narayanaswamy	Chairman
Mr.Mahavir Chand	Member
Mr.Pavan Kumar Kavadi	Member

### VIGIL MECHANISM

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company <http://prithvifx.com/>.

### NOMINATION AND REMUNERATION COMMITTEE AND POLICY:

The Board on the recommendation of the Nomination & Remuneration Committee framed a policy on Directors' appointment and remuneration including criteria for determining qualification, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178. The said Policy is attached herewith as Annexure - E to this report and is also available on the website of the Company – <http://prithvifx.com/>.

### CORPORATE GOVERNANCE REPORT:

As per Regulation 27(2) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, read with, Clause 15 of Chapter IV SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Paid up capital of the Company was less than Rs. 10 crores i.e. Rs. 5,49,97,670/- and the Networth was less than Rs. 25 Crores as on the last day of the previous financial year i.e. 31st March, 2017. During the year 2017-2018 the paid up capital remained same and the Net Worth was also less than 25 Crore i.e. the Paid up capital was Rs. 5,49,97,670 and the Networth was Rs. 24,32,53,853 /- as on the last day of the previous financial year i.e. 31st March, 2018.

Therefore the Corporate Governance Report is not applicable to the company

## **PRITHVI EXCHANGE ( INDIA ) LIMITED**

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### **STATUTORY AUDITORS**

Ms DIYALI B AND ASSOCIATES (Membership number 242354 ), Chartered Accountants, Chennai, are the Statutory Auditors of the Company.

There are no qualifications or reservations or remarks made by the auditors in their report.

### **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed M/s V. Esaki & Associates, a firm of Company Secretaries to undertake the Secretarial Audit of the Company. The report on the Secretarial Audit carried out for the year 2017-18 is annexed here with as 'Annexure-B'. The Secretarial Audit Report is self explanatory.

### **COST AUDITORS**

The provisions of section 148 of the Act are not applicable to our company.

### **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were in the ordinary course of the business. There were no significant related party transactions made by the company with related parties which might have potential conflict with the interest of the company.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134(3) (c) read with section 134 (5) of the Companies Act, 2013, the Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that they had:

- i. Followed the applicable accounting standards in the preparation of the financial statements for the financial year 2017-18 and there are no material departures;
- ii. selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent 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 under review;
- iii. taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, preventing and detecting fraud and other irregularities and
- iv. Prepared the financial statements for the financial year on a 'going concern' basis.
- v. Laid down internal financial controls to be followed by the Company and such internal financial controls were adequate and were operating effectively.
- vi. Devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

### **BUSINESS RISK MANAGEMENT**

Pursuant to Section 134 (3)(n) of the Companies Act 2013. In the opinion of the board there is no risk that may threaten the existence of the Company. The details of the risk and threat as perceived by the company on a cautionary basis are annexed in the Management and discussion analysis report.

### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed here with as 'Annexure-C'.

### **PARTICULARS OF EMPLOYEES**

Section 197 Read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed as 'Annexure- D'

Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to our Company.

## **PRITHVI EXCHANGE ( INDIA ) LIMITED**

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### **SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the financial year 2017-18, the Company has not received any complaints on sexual harassment.

### **OTHER DISCLOSURES**

- a) The Internal control systems and adequacy are discussed in detail in the Management Discussion and Analysis annexed to the Directors Report as "Annexure A"
- b) The Company has established a formal vigil mechanism named 'Prithvi Whistle Blower Policy' for reporting improper or unethical practices or actions which are volatile of the code of conduct of the Company. There was no instance reported during the year under review through this.

### **PARTICULARS REGARDING CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE**

The information on conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is NIL.

### **NO SIGNIFICANT OR MATERIAL ORDERS WERE PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS WHICH IMPACTS THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.**

### **ACKNOWLEDGEMENTS**

Your directors wish to place on record their appreciation for the continuous support received from the members, customers, suppliers, various statutory bodies of the Government of India and the company's employees at all levels.

Place : Chennai  
Date : 10/08/2018

For and on behalf of the Board  
Sd/-  
Pavan Kumar Kavadi  
Whole Time Director  
DIN: 07095542

## PRITHVI EXCHANGE ( INDIA ) LIMITED

Please Note that wherever the name of the director appears, the same be read with the DIN of the concerned Directors as mentioned below :

S.no	DIN	Name of the Directors
1	02910246	Mr. Deenadayalan Kuppuswamy Narayanaswamy
2	07095542	Mr. Pavan Kumar Kavadi
3	06691575	Mr. D. Sureshkumar
4	00671041	Mr. Mahavir Chand
5	00747419	Ms. Anuradha Jayaraman

### **ANNEXURE A**

#### **MANAGEMENT DISCUSSION AND ANALYSIS SCENARIO**

##### **Market Scenario**

Our company is one of the pioneers in Foreign Exchange Business and our Company's identity in the industry is well established.

##### **Opportunities**

The board is hopeful of improving financials in the years to come.

##### **Concerns**

Competition and recession in the economy are the major threat.

#### **INTERNAL CONTROLS AND SYSTEMS**

PRITHVI EXCHANGE ( INDIA ) LIMITED has an adequate system of internal control in place which has been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting as set from unauthorized use or losses, compliance with regulations and for ensuring reliability of financial reporting.

#### **RISK MANAGEMENT FRAMEWORK**

The Company has a Risk Management Framework, which provides the mechanism for risk assessment and mitigation. The Risk Management Committee (RMC) of the Company comprises the Managing Director, the Executive Director and members of senior management. During the year, the RMC reviewed the risks associated with the business of the Company, its root causes and the efficacy of the measures taken to mitigate the same. Thereafter, the Audit Committee and the Board of Directors also reviewed the key risks associated with the business of the Company, the procedures adopted to assess the risks and efficacy of mitigation measures.

#### **CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include significant changes in political and economic condition

# PRITHVI EXCHANGE ( INDIA ) LIMITED

## ANNEXURE B

Form No. MR - 3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31/03/2018

(Pursuant to section 204(1) of the Companies Act, 2013 and rule NO.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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To,  
The Members,  
**PRITHVI EXCHANGE (INDIA) LIMITED**  
(Formerly known as PRITHVI SOFTECH LIMITED)  
Chennai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PRITHVI EXCHANGE (INDIA) LIMITED**, (CIN: L30006TN1995PLC031931), (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts with statutory compliances and expressing our opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31/03/2018 complied with the statutory provisions listed hereunder and also that the Company has Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, Minute Books, Forms and Returns filed and other records maintained by M/s. PRITHVI EXCHANGE INDIA LIMITED for the financial year ended on 31/03/2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder; The company has complied with the procedure laid under the Companies Act 2013; forms returns in this connection have been filed. Except there was delay in filing certain forms, and not filing of forms related to IEPF.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.

## PRITHVI EXCHANGE ( INDIA ) LIMITED

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(e) The SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

We have also examined the compliance of the applicable clauses of Secretarial Standard with respect to board meetings and General meetings as prescribed by the Institute of Company Secretaries of India and compliance with the LODR Regulations, and Agreement entered by the company with BSE Ltd under SEBI (listing and disclosure requirements regulations) 2015.

We further report that Based on the information provided by the company, its officers and authorised representatives during the conduct of audit and also on the review of compliance report by respective department heads as taken on record by the board of directors of the company, in our opinion, there are adequate systems, processes and control mechanism exists in the company commensurate with the size and operations of the company to monitor to monitor and ensure compliance with applicable general laws like labour & employment laws , and other general laws and, rules, regulations and guidelines made .

We further report that the compliance of by the company of other applicable laws like direct and indirect tax laws has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professional.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes recorded and signed by the chairman, the decision of the board were unanimous and no dissenting views are captured have recorded as part of the minutes wherever applicable.

We further report that there are systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events/ actions in pursuance of the above referred laws, rules, regulation, guidelines, etc, having a major bearing on the Company's affairs.

Place : Chennai

Date : 10/08/2018

For V.Esaki & Associates  
Company Secretaries

Sd/-  
(V.Esaki)  
Proprietor

ACS No. 30353

## PRITHVI EXCHANGE ( INDIA ) LIMITED

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To,

The Members,  
Prithvi Exchange (India) Limited  
Chennai

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on the Secretarial Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. we believe that the processes and practices, we followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Chennai  
Date : 10/08/2018

Signature Sd /-  
Name : V.Esaki  
CP No. 11022

# PRITHVI EXCHANGE ( INDIA ) LIMITED

## ANNEXURE C

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31/03/2018**  
**Of**  
**PRITHVI EXCHANGE (INDIA) LIMITED**  
**(Formerly known as PRITHVI SOFTECH LIMITED)**  
**(Pursuant to Section 92(3) of the companies Act, 2013**  
**And**  
**Rule 12(1) of the Companies (Mgt and Administration) Rules, 2014**

### I. REGISTRATION AND OTHER DETAILS:

i.	CIN:	L30006TN1995PLC031931
ii.	Registration Date [DDMMYY]	21/06/1995
iii.	Name of the Company	PRITHVI EXCHANGE (INDIA) LIMITED
iv.	<b>Category /Sub-category of the Company</b>	1. Public Company 2. Limited by shares
v.	Address of the Registered office and contact details	New No.11, East Spur Tank Road, Chetpet, Chennai - 600 031, Tamil Nadu Tel : 044 - 4343 4252 / 4272 e-mail: investor.relations@prithvifx.com Website: www.prithvifx.com
vi.	Whether listed company Yes /No	Yes
vii.	Name and Address of Registrar & Transfer Agents ( RTA ):- Full address and contact details to be given.	
	Registrar & Transfer Agents ( RTA ):-	M/s. INTEGRATED REGISTRY MANAGEMENT SERVICES PVT LTD
	Address	2 <sup>nd</sup> Floor, KENCES TOWERS, No.1, Ramakrishna Street Off. North Usman Road, T.Nagar
	Town / City	CHENNAI
	State	TAMIL NADU
	Pin Code:	600 017
	Telephone (With STD Area Code Number)	044 - 2814 0801 / 02 / 03



## PRITHVI EXCHANGE ( INDIA ) LIMITED

### 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)

SN	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Foreign Exchange Business	67190	93%

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

### IV. SHARE HOLDING 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[As on 31 <sup>st</sup> -March-2017]				No. of Shares held at the end of the year[As on 31 <sup>st</sup> -March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	3956922	0	3956922	71.95	3956922	0	3956922	71.95	0
<b>Total shareholding of Promoter (A)</b>	3956922	0	3956922	71.95	3956922	0	3956922	71.95	0
<b>B. Public Shareholding</b>									
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	26229	7453	33682	0.61	24617	7453	32070	0.58	-0.03
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	337354	262382	599736	10.90	452935	254914	707849	12.87	1.97
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	905208	0	905208	16.47	785297	0	785297	14.28	2.19
Clearing Members	1245	0	1245	0.02	500	0	500	0.01	-0.01
Others (Margin Trading Account-Corporate)	2974	0	2974	0.05	17129	0	17129	0.31	0.26
<b>Sub-total (B)(2):-</b>	1273010	269835	1542845	28.05	1280478	262367	1542845	28.05	0

## PRITHVI EXCHANGE ( INDIA ) LIMITED

Total Public Shareholding (B)=(B)(1)+(B)(2)	1273010	269835	1542845	28.05	1280478	262367	1542845	28.05	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	5229932	269835	5499767	100	5237400	262367	5499767	100	0

### ii. Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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	Ashok Kumar Kavad HUF	981537	17.85	0	981537	17.85	0	0
2	Pavan Kumar Kavad .	1988404	36.15	0	1988040	36.15	0	0
3	Usha Kavad	987345	17.95	0	987345	17.95	0	0
	Total	3956922	71.95	0	3956922	71.95	0	0

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

S N		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	Ashok Kumar Kavad HUF	981537	17.85	981537	17.85
2	Pavan Kumar Kavad	1988040	36.15	1988040	36.15
3	Usha Kavad	937345	17.04	987345	17.95

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

S No	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year	
			No. of shares	% of total shares of the company
i	ANITHA			
	At the beginning of the year		193181	3.51
		Purchase made during the year	0	0
		Sales made during the year	0	0
	At the end of the year		193181	3.51
ii	R. MANOJ KUMAR			

## PRITHVI EXCHANGE ( INDIA ) LIMITED

	At the beginning of the year		190283	3.46
		Purchase made during the year	0	0
		Sales made during the year	0	0
	At the end of the year		190283	3.46
iii	N. PRAMODH KUMAR			
	At the beginning of the year		173935	3.16
		Purchase made during the year	0	0
		Sales made during the year	0	0
	At the end of the year		173935	3.16
iv	RITESH KATARIYA			
	At the beginning of the year		120577	2.19
		Purchase made during the year	0	0
		Sales made during the year	0	0
	At the end of the year		120577	2.19
V	AARTHI			
	At the beginning of the year		76115	1.38
		Purchase made during the year	0	0
		Sales made during the year	0	0
	At the end of the year		76115	1.38
vi	J. LATHA			
	At the beginning of the year		31669	0.58
		Purchase made during the year	1577	0.03
		Sales made during the year	1924	0.03
	At the end of the year		31322	0.57
vii	M D VASUDEVAN			
	At the beginning of the year		29717	0.54
		Purchase made during the year	0	0
		Sales made during the year	19949	0.36
	At the end of the year		9768	0.18
viii	V G VENKATADRI			
	At the beginning of the year		26688	0.49
		Purchase made during the year	0	0
		Sales made during the year	19560	0.35
	At the end of the year		7128	0.13
ix	BHAGWANDAS CHANDAK			
	At the beginning of the year		25000	0.46
		Purchase made during the year	4345	0.08
		Sales made during the year	19000	0.34
	At the end of the year		10345	0.19
x	P RAJESH			

## PRITHVI EXCHANGE ( INDIA ) LIMITED

	At the beginning of the year		14935	0.27
		Purchase made during the year	0	0
		Sales made during the year	14935	0.27
	At the end of the year		0	0

### V. Shareholding of Directors and Key Managerial Personnel

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Date wise Increase / Decrease in Directors Share holding during the year etc specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares		No. of shares	% of total shares of the company	No. of shares	% of total shares
1	Deenadayalan Kuppuswamy Narayanaswamy	0	0	0	0	0	0	0
2	Suresh Kumar	0	0	0	0	0	0	0
3	Pavan Kumar Kavad	1988040	36.15	0	1988040	36.15	1988040	36.15
4	Anuradha Jayaraman	0	0	0	0	0	0	0
5	Mahavir Chand	0	0	0	0	0	0	0

### VI. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for Payment-

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>		0	0	0
<b>Change in Indebtedness during the financial year</b>				
* Addition	8519555	0	0	0
* Reduction		0	0	0
<b>Net Change</b>	8519555	0	0	0
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	8519555	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	8519555	0	0	0

## PRITHVI EXCHANGE ( INDIA ) LIMITED

### VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNELA. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr.Pavan Kumar Kavad	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,00,000	24,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	Total	24,00,000	24,00,000

### B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Anuradha Jayaraman	K.N. Deenadayalan	Mahavir Chand	
	Fee for attending board committee meetings	26000	36000	8000	70,000
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	26000	36000	8000	70,000
2	Other Non-Executive Directors	D. Suresh Kumar	-	-	
	Fee for attending board committee meetings	4000	0	0	4000
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (2)	4000	0	0	4000
	Total (B)=(1+2)	30000	36000	8000	74,000
	Total Managerial Remuneration				74,000

## PRITHVI EXCHANGE ( INDIA ) LIMITED

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/WTD/MANAGER

S.no	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary	1,60,039	16,61,100	18,21,139
	(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 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, Reimbursement	-	5,00,000	5,00,000
	Total	1,60,039	21,61,100	23,21,139

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

Place : Chennai

Date : 10/08/2018

For and on behalf of the Board

Sd/-

Pavan Kumar Kavadi

Whole Time Director

DIN :07095542

## PRITHVI EXCHANGE ( INDIA ) LIMITED

### Annexure D

#### Particular Employer

Ratio of the remuneration of each director to the median remuneration	Column1	Column2	Column3
Director	Salary (In Lakhs)	Median employee	Times
Mr.Pavan Kumar Kavad - Whole Time Director	24.00	1.13	10:1

2 Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

S.No	Director	Apr-17 (Lakhs/ month)	Mar-18 (Lakhs/ month)	Increase
1	Mr. Pavan Kumar Kavad	2.00	2.00	NIL
2	Mr. S.P Mahesh	1.15	1.30	11%
3	Ms.Gayathri	0	0.16	NA

3 The percentage increase in the median remuneration of employees in the financial year : (18.12%)

4 The number of permanent employees on the rolls of company

Column1	Employees	
	Others	162
	Company Secretary	1
	Whole Time Director	1

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof Refer point 2 above.

6. Affirmation that the remuneration is as per the remuneration policy of the company Yes

7. If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees NIL

8. If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager - Nil

9 Provided that the particulars of employees posted and working in a country outside India, not being directors or their relatives, drawing more than Sixty Lac rupees per Financial Year or Five Lac rupees per month, as the case may be, as may be decided by the Board, shall not be circulated to the members in the Board's report, but such particulars shall be filed with the Registrar of Companies while filing the financial statement and Board Reports - Nil

# PRITHVI EXCHANGE ( INDIA ) LIMITED

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## Annexure E

### NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

#### Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) Such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

#### Objective:

The objective of the policy is to ensure that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

#### Role of the Committee:

The role of the NRC will be the following:

- To Formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To Formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.



## **PRITHVI EXCHANGE ( INDIA ) LIMITED**

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### **APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

### **TERM / TENURE**

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

### **EVALUATION**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

### **REMOVAL**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

## PRITHVI EXCHANGE ( INDIA ) LIMITED

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### RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Place : Chennai

Date : 10/08/2018

For and on behalf of the Board

Sd/-

Pavan Kumar Kavadi

Whole Time Director

DIN :07095542

To

The Board of Directors

PRITHVI EXCHANGE (INDIA) LIMITED

Certificate in compliance with Regulation 17 (8) read with Schedule II Part B of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, we hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(1) The statements do not contain any materially untrue statement or Omit any material fact or contain statements that are misleading

(2) The statements together present a true and fair view of the listed entity's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.

B. We are to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining Internal controls for financial reporting and that we have evaluated the effectiveness of Internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such Internal controls, if any, of which we are aware and the steps we have taken to rectify these deficiencies if any.

D. We have indicated to the Auditors and the Audit committee :

(1) Significant changes in Internal control over financial reporting during the year;

(2) Significant changes in Accounting Policies during the year and that the same have been disclosed in the notes to the financial statements; and

## **PRITHVI EXCHANGE ( INDIA ) LIMITED**

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- (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's Internal control system over financial reporting.

S P Mahesh  
Chief Financial Officer

### **POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

#### **1) Remuneration to Managing Director / Whole-time Directors:**

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

#### **2) Remuneration to Non- Executive / Independent Directors:**

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
- i) The Services are rendered by such Director in his capacity as the professional; and
  - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors)

#### **3) Remuneration to Key Managerial Personnel and Senior Management:**

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

## **PRITHVI EXCHANGE ( INDIA ) LIMITED**

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b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.

c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

### **IMPLEMENTATION**

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

### **GENERAL INFORMATION:**

Disclosures with respect to demat suspense account/ unclaimed suspense account

(1) The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:

(a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year - NIL

(b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year - NIL

(c) Number of shareholders to whom shares were transferred from suspense account during the year; NIL

(d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year - NIL

(e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares - NIL

# **PRITHVI EXCHANGE ( INDIA ) LIMITED**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Members of

**M/s Prithvi Exchange (India) Limited**

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

We have audited the accompanying standalone Ind AS financial statements of M/s Prithvi Exchange (India) Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other comprehensive income), the statement of change in equity and the statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the 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 Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and 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 thereunder and the Order issued under section 143(11) of the Act.

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 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 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

## PRITHVI EXCHANGE ( INDIA ) LIMITED

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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 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 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### Other Matters

The comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 01st April, 2016 included in these standalone Ind AS financial statements, are based on the previously audited statutory financial statements issued by the predecessor auditor (**M/s Chandarana & Sanklecha, Chartered Accountants**) whose report dated 27th May, 2017 and dated 09th July, 2016 respectively, who has expressed an unmodified opinion on those standalone financial statements.

These comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 01st April, 2016 included in these standalone Ind AS financial statements were 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 qualified in respect of 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 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, 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 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, 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 Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of written representations received from the directors as on 31st March, 2018, and

## **PRITHVI EXCHANGE ( INDIA ) LIMITED**

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taken on record by the Board of Directors, none of the directors are 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 standalone Ind AS financial statements;
  - ii. The company did not have any long-term contracts, including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

### **For DIYALI B AND ASSOCIATES**

Chartered Accountants  
Firm Regd. No : 017740S

### **DIYALI B**

Proprietrix  
Membership No. 242354

Place : Chennai

Date : 19th May 2018

# PRITHVI EXCHANGE ( INDIA ) LIMITED

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of our Report of even date to the members of **M/s Prithvi Exchange (India) Limited** on the accounts of the Company for the year ended 31st March, 2018.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- 1.(a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) The company does not hold any immovable property.
- 2.(a) The management, at reasonable intervals, has physically verified the inventories during the year.
  - (b) No material discrepancies were noticed during physical verification of inventory
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act.
4. The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities.
5. The Company has not accepted any deposits from public.
6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 in respect of the activities carried on by the company.
- 7.(a) The company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, income-tax, sales-tax, service tax, value added tax, customs duty, excise duty, cess and any other statutory dues to the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, Goods and Service Tax, customs duty, excise duty, cess and any other material statutory dues were outstanding, at the year end, 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 service tax, sales tax, customs duty, excise duty, value added tax or Goods and Service Tax outstanding on account of any disputes. However, according to information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes:

Name of the Statute	Amount (In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax	INR 7.69	A.Y 1999-2000	Tribunal referred back the matter to the Assessing officer
Income Tax	INR 4.46	A.Y 2000-2001	Tribunal referred back the matter to the Assessing officer



## **PRITHVI EXCHANGE ( INDIA ) LIMITED**

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8. The Company has not defaulted in repayment of loans or borrowing to financial institutions, banks, governments or dues to debenture holders.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid the managerial remuneration in accordance with the requisite approvals mandated by the Provision of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, Paragraph 3 (xii) of the Order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the 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 under review.
15. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transaction with directors or persons connected with him. Accordingly, Paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

### **For DIYALI B AND ASSOCIATES**

Chartered Accountants

Firm Regd. No : 017740S

DIYALI B

Proprietrix

Membership No. 242354

Place : Chennai

Date : 19th May 2018

# PRITHVI EXCHANGE ( INDIA ) LIMITED

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## **ANNEXURE 2 TO INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **M/s Prithvi Exchange (India) Limited** on the standalone Ind AS financial statements for the year ended 31st March, 2018)

### **Report on the Internal Financial Controls over Financial Reporting 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 **M/s Prithvi Exchange (India) Limited** ("the Company") as of 31st 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 judgment, 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.

## **PRITHVI EXCHANGE ( INDIA ) LIMITED**

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### **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 31st 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 Institute of Chartered Accountants of India.

### **For DIYALI B AND ASSOCIATES**

Chartered Accountants

Firm Regd. No : 017740S

### **DIYALI B**

Proprietrix

Membership No. 242354

Place : Chennai

Date : 19th May 2018

# PRITHVI EXCHANGE ( INDIA ) LIMITED

Balance Sheet as at 31st March, 2018

Particulars		Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 01st April, 2016
			INR	INR	INR
<b>A</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>				
	Property, Plant and Equipment	3	9,138,342	9,661,180	6,003,516
	Capital work-in-progres		-	-	-
	Investment Property		-	-	-
	Financial Assets				
	- Investments	4	35,559,061	29,951,893	24,105,677
	- Loans		-	-	-
	- Others	5	23,032,789	4,251,182	4,301,619
	Other non-current assets		-	-	-
	<b>Total non-current assets</b>		<b>67,730,192</b>	<b>43,864,255</b>	<b>34,410,812</b>
<b>2</b>	<b>Current assets</b>				
	Inventories	6	<b>41,562,275</b>	<b>36,885,026</b>	<b>38,724,505</b>
	Financial assets				
	(i) Investments		-	-	-
	(ii) Trade receivables	7	<b>58,880,911</b>	<b>32,145,775</b>	<b>34,887,714</b>
	(iii) Cash & cash equivalents	8	<b>63,429,961</b>	<b>97,548,362</b>	<b>84,615,504</b>
	(iv) Bank balances other than above	9	<b>51,687,241</b>	<b>42,912,805</b>	<b>34,174,903</b>
	(v) Loans	10	<b>24,975,893</b>	<b>27,858,917</b>	<b>20,816,681</b>
	(vi) Others		-	-	-
	Current tax assets (net)	11	<b>8,901,934</b>	<b>5,559,482</b>	<b>7,117,005</b>
	Other current assets	12	<b>11,868,260</b>	<b>16,072,955</b>	<b>9,782,272</b>
	<b>Total current assets</b>		<b>261,306,475</b>	<b>258,983,322</b>	<b>230,118,584</b>
	<b>TOTAL ASSETS</b>		<b>329,036,667</b>	<b>302,847,577</b>	<b>264,529,396</b>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

	<b>EQUITY AND LIABILITIES</b>				
<b>3</b>	<b>Equity</b>				
	Equity Share Capital	13	54,997,670	54,997,670	54,997,670
	Other equity	14	188,256,183	170,758,103	152,822,573
	<b>Total equity</b>		<b>243,253,853</b>	<b>225,755,773</b>	<b>207,820,243</b>
<b>4</b>	<b>Non-current liabilities</b>				
<b>5</b>	Financial liabilities				
	(i) Borrowings		-	-	-
	(ii) Other financial liabilities		-	-	-
	Deferred tax liability (net)	11	1,125,671	583,600	591,074
	Provisions	15	3,562,513	2,977,472	2,651,178
	<b>Total non-current liabilities</b>		<b>4,688,184</b>	<b>3,561,072</b>	<b>3,242,252</b>
	<b>Current liabilities</b>				
	Financial liabilities				
	(i) Borrowings	16	8,519,555	-	2,747
	(ii) Trade payables	17	56,871,884	63,365,631	48,059,798
	(iii) Other financial liabilities	18	4,304,524	2,574,934	1,992,476
	Other current liabilities	19	11,398,667	7,590,167	3,411,880
	<b>Total current liabilities</b>		<b>81,094,630</b>	<b>73,530,732</b>	<b>53,466,901</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>329,036,667</b>	<b>302,847,577</b>	<b>264,529,396</b>
<b>Significant accounting policies</b>	2				
<b>The accompanying notes are an integral part of the financial statements</b>					
In terms of our report of even date attached.					
For DIYALI B AND ASSOCIATES Chartered Accountants Firm Regn No. 017740S			For and on behalf of the Board of Directors		
Diyali B Proprietrix Membership No. 242354		K.N.Deenadayalan Director DIN : 02910246	Pavan Kumar Kavad Wholetime Director DIN : 07095542		
Place : Chennai Date : 19 <sup>th</sup> May 2018		Gayathri Samiappan Company Secretary	S.P Mahesh Chief Financial Officer		

# PRITHVI EXCHANGE ( INDIA ) LIMITED

Statement of Profit and Loss for the year ended 31st March, 2018				
Particulars		Note No.	Year ended 31st March, 2018	Year ended 31st March, 2017
			INR	INR
<b>I</b>	<b>Non-current assets</b>			
	Revenue from operation	20	90,046,010	89,554,992
	Other income	21	6,814,008	5,721,438
	<b>Total income</b>		<b>96,860,018</b>	<b>95,276,430</b>
<b>II</b>	<b>Expenses</b>			
	Employee benefit expenses	22	37,361,890	35,564,307
	Finance cost	23	183,541	227,129
	Depreciation and amortisation	3	1,928,475	1,587,256
	Other expenses	24	27,669,312	25,205,091
	<b>Total expenses</b>		<b>67,143,218</b>	<b>62,583,783</b>
<b>III</b>	<b>Profit / (Loss) before exceptional items and tax (3 - 4)</b>		29,716,800	32,692,647
<b>IV</b>	<b>Exceptional items</b>		-	-
<b>V</b>	<b>Profit before tax (III-IV)</b>		29,716,800	32,692,647
<b>VI</b>	<b>Tax expense:</b>			
	- Current tax		11,300,000	11,500,000
	- Deferred tax	11	(55,684)	(16,666)
			<b>11,244,316</b>	<b>11,483,334</b>
<b>VII</b>	<b>Profit / (Loss) for the year (V - VI)</b>		<b>18,472,484</b>	<b>21,209,313</b>
<b>VIII</b>	<b>Other Comprehensive Income</b>			
	<b>(A) Items that will be reclassified to profit or loss</b>		-	-
	<b>(B) Items that will not be reclassified to profit or loss</b>			
	Net gain/(loss) on equity instruments through			
	Other Comprehensive Income		2,933,047	45,105
	Income tax effect on above		(597,755)	(9,192)
<b>IX</b>	<b>Total Comprehensive Income (VII+VIII)</b>		<b>20,807,776</b>	<b>21,245,226</b>
	<b>Earnings per share</b>			
	- Basic & Diluted		3.78	3.86
	<b>Significant accounting policies</b>	2		
<b>he accompanying notes are an integral part of the financial statements</b>				
<p>In terms of our report attached.</p> <p>For DIYALI B AND ASSOCIATES Chartered Accountants Firm Regn No. 017740S</p> <p>Diyali B Proprietrix Membership No. 242354</p> <p>Place : Chennai Date : 19<sup>th</sup> May 2018</p> <p>For and on behalf of the Board of Directors</p> <p>K.N Deenadayalan Chairman DIN : 02910246</p> <p>Gayathri Samiappan Company Secretary</p> <p>Pavan Kumar Kavadi Wholetime Director DIN : 07095542</p> <p>S.P Mahesh Chief Financial Officer</p>				

## PRITHVI EXCHANGE ( INDIA ) LIMITED

Statement of Cash Flows for the year ended 31st March, 2018				
Non-current assets				
Particulars	For the Year ended 31st March,2018		For the Year ended 31st March,2017	
	INR	INR	INR	INR
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		29,716,800		32,692,647
Adjustments for:				
Depreciation and amortisation	1,928,475		1,587,256	
(Profit)/Loss on sale of Assets	(5,978)		(6,431)	
Assets Discarded	7,136		-	
Interest Paid	183,541		227,129	
Interest income	(6,397,546)		(5,413,889)	
Dividend income	(97,086)		(110,304)	
Net (gain)/loss on sale of investments	(186,283)		-	
		(4,567,741)		(3,716,239)
Operating profit / (loss) before working capital changes		<b>25,149,059</b>		<b>28,976,408</b>
Movement in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(4,677,249)		1,839,479	
Trade receivables	(26,735,136)		2,741,939	
Other receivables	(20,468,324)		(22,020,384)	
Trade payables	(6,493,747)		15,305,833	
Other liabilities	6,123,131		5,087,039	
Cash flow from extraordinary items		(52,251,325)		2,953,906
Cash generated from operations		(27,102,266)		31,930,314
Net income tax (paid) / refunds		(14,642,451)		(9,942,477)
<b>Net cash flow from operating activities (A)</b>		<b>(41,744,717)</b>		<b>21,987,837</b>
<b>B. Cash flow from investing activities</b>				
Payment for Property, plant and equipments (Net)	(1,430,345)		(5,284,389)	
Proceeds from disposal of property, plant and equipments	23,550		45,900	
Purchase of investments	(2,752,457)		(5,801,111)	
Proceeds from sale of investments	264,618		-	
<b>Interest received</b>	6,397,546		5,413,889	
Dividend received	97,086		110,304	
<b>Net cash flow used in investing activities (B)</b>		<b>2,599,998</b>		<b>(5,515,407)</b>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

<b>C. Cash flow from financing activities</b>									
Interest paid	(183,541)		(227,129)						
Proceeds from borrowings	8,519,555		-						
Repayment of borrowings	-		(2,747)						
Dividends & Tax paid	(3,309,696)		(3,309,696)						
<b>Net cash flow used in financing activities (C)</b>		<b>5,026,318</b>		<b>(3,539,572)</b>					
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(34,118,401)		12,932,858					
Cash and cash equivalents at the beginning of the year		97,548,362		84,615,504					
<b>Cash and cash equivalents at the end of the year</b>		<b>63,429,961</b>		<b>97,548,362</b>					
Components of Cash and Cash Equivalents									
(a) Cash on hand		12,983,927		13,048,915					
(b) Cheques, drafts on hand		3,229,426		8,007,430					
(c) Balances with banks									
(i) In current accounts		47,216,608		76,492,017					
		<b>63,429,961</b>		<b>97,548,362</b>					
<b>See accompanying notes forming part of the financial statements</b>									
In terms of our report attached.									
<table> <tr> <td colspan="2"> <b>For DIYALI B AND ASSOCIATES</b>  <b>Chartered Accountants</b>  <b>Firm Regn No. 017740S</b>   <b>Diyali B</b>  proprietor  Membership No. 242354   <b>Place : Chennai</b>  <b>Date : 19th May 2018</b> </td><td colspan="3"> <b>For and on behalf of the Board of Directors</b>   <div> K.N Deenadayalan  Director  DIN : 02910246   Gayathri Samiappan  Company Secretary </div> <div> Pavan Kumar Kavadi  Wholetime Director  DIN : 07095542   S.P Mahesh  Chief Financial Officer </div> </td></tr> </table>					<b>For DIYALI B AND ASSOCIATES</b> <b>Chartered Accountants</b> <b>Firm Regn No. 017740S</b>  <b>Diyali B</b> proprietor Membership No. 242354  <b>Place : Chennai</b> <b>Date : 19th May 2018</b>		<b>For and on behalf of the Board of Directors</b>  <div> K.N Deenadayalan  Director  DIN : 02910246   Gayathri Samiappan  Company Secretary </div> <div> Pavan Kumar Kavadi  Wholetime Director  DIN : 07095542   S.P Mahesh  Chief Financial Officer </div>		
<b>For DIYALI B AND ASSOCIATES</b> <b>Chartered Accountants</b> <b>Firm Regn No. 017740S</b>  <b>Diyali B</b> proprietor Membership No. 242354  <b>Place : Chennai</b> <b>Date : 19th May 2018</b>		<b>For and on behalf of the Board of Directors</b>  <div> K.N Deenadayalan  Director  DIN : 02910246   Gayathri Samiappan  Company Secretary </div> <div> Pavan Kumar Kavadi  Wholetime Director  DIN : 07095542   S.P Mahesh  Chief Financial Officer </div>							



## PRITHVI EXCHANGE ( INDIA ) LIMITED

STATEMENT OF CHANGES IN EQUITY (SOCEI)			
Statement of Changes in Equity (SOCIE)			
Note (a) : Equity Share Capital			
Particulars	As at		
	31st March 2018	31st March 2017	01st April 2016
Balance at the beginning of the reporting period	5,499,767	5,499,767	5,499,767
Changes in equity share capital during the year	-	-	-
Balance at the end of the reporting period	<b>5,499,767</b>	<b>5,499,767</b>	<b>5,499,767</b>

Note (b) : Other Equity				
Particulars	Reserves & Surplus		Items of OCI	Total Equity
	Capital reserve	Retained earnings	Equity Instruments through OCI	
<b>Balance at 01st April, 2016</b>	<b>82,750</b>	<b>149,396,806</b>	<b>3,343,017</b>	<b>152,822,573</b>
Profit for the year	-	21,209,313	-	21,209,313
Other comprehensive income for the year net of income tax	-	-	35,913	35,913
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>21,209,313</b>	<b>35,913</b>	<b>21,245,226</b>
Cash dividends (Refer Note : 15)	-	(2,749,884)	-	(2,749,884)
Dividend Distribution Tax (DDT) (Refer Note : 15)	-	(559,812)	-	(559,812)
	-	(3,309,696)	-	(3,309,696)

## PRITHVI EXCHANGE ( INDIA ) LIMITED

Balance at 31st March, 2017	82,750	167,296,423	3,378,930	170,758,103
Balance at the beginning of the reporting period	82,750	167,296,423	3,378,930	170,758,103
Profit for the year	-	18,472,484	-	18,472,484
Other comprehensive income for the year net of income tax	-	-	2,335,292	2,335,292
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>18,472,484</b>	<b>2,335,292</b>	<b>20,807,776</b>
<b>Cash dividends (Refer Note : 15)</b>	<b>-</b>	<b>(2,749,884)</b>	<b>-</b>	<b>(2,749,884)</b>
<b>Dividend Distribution Tax (DDT) (Refer Note : 15)</b>	<b>-</b>	<b>(559,812)</b>	<b>-</b>	<b>(559,812)</b>
	<b>-</b>	<b>(3,309,696)</b>	<b>-</b>	<b>(3,309,696)</b>
Balance at 31st March, 2018	82,750	182,459,211	5,714,222	188,256,183

In terms of our report attached.

**For DIYALI B AND ASSOCIATES**

**Chartered Accountants**

**Firm Regn No. 017740S**

**Diyali B**  
**Proprietrix**

**Membership No. 242354**

**Place : Chennai**  
**Date : 19th May 2018**

**For and on behalf of the Board of Directors**

**K.N Deenadayalan**  
**Director**

**DIN : 02910246**

**Gayathri Samiappan**  
**Company Secretary**

**Pavan Kumar Kavadi**  
**Wholetime**  
**Director**  
**DIN : 07095542**

**S.P Mahesh**  
**Chief Financial**  
**Officer**

## PRITHVI EXCHANGE ( INDIA ) LIMITED

Notes forming part of the financial statements	
Note	Particulars
<b>1</b>	<p><b>Corporate information</b></p> <p>Prithvi Exchange (India) Limited (L30006TN1995PLC031931), a public limited company incorporated under Company Act, is licensed by RBI to function as Authorised dealer Category II. Prithvi Exchange (India) Limited operates under the brand name of "PRITHVI EXCHANGE". The company deals in all tradeable foreign currencies, traveller cheques, drafts and swift transfers. At present the company has 17 branches spread in the state of Tamilnadu, Kerala, Karnataka, Andhra Pradesh, Gujarat and Maharastra. 'Prithvi Exchange is also an authorised agent to receive Money Transfer send through Western Union Money Transfer, Money Gram and Xpress Money.</p> <p>'The Registered office of the company is situated at No 11, East Spur Tank Road, Chetpet, Chennai-600031.</p> <p>These financial statements were approved for issues in the meeting of the Board of Directors held on 19th May 2018.</p>
<b>2</b>	<p><b>Basis of preparation of financial statements</b></p>
<b>2.1</b>	<p><b>Basis of preparation and compliance with Ind AS</b></p> <p>"The Financial Statements of the Company as at and for the year ended 31st March 2018 have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('Act'), and the Companies (Indian Accounting Standards) Rules issued from time to time and relevant provisions of the Companies Act, 2013 (collectively called as Ind AS).</p> <p>The Company has transitioned from Indian GAAP to Ind AS with effect from 01st April, 2016 being the transition date as on which the opening Balance Sheet has been prepared. The Company has followed the provisions of Ind AS 101, 'First Time Adoption of Indian Accounting Standards', in preparing its opening Ind AS Balance Sheet as of the date of transition."</p>
<b>2.2</b>	<p><b>Basis of measurement</b></p> <p>The financial statements have been prepared on a going concern basis, using historical cost convention and on an accrual method of accounting, except for financial assets, financial liabilities and defined benefit plans which have been measured at fair value, as required by relevant Ind AS.</p>
<b>2.3</b>	<p><b>Current and non-current classification</b></p> <p>The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is classified as current if it satisfies any of the following criteria:</p> <ul style="list-style-type: none"> <li>a) It is expected to be realised or intended to be sold in the Company's normal operating cycle.</li> <li>b) It is held primarily for the purpose of trading,</li> <li>c) It is expected to be realised within twelve months after the reporting period, or</li> <li>d) "It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period"</li> </ul>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

	<p>All other assets are classified as non-current</p> <p>A liability is classified as current if it satisfies any of the following criteria:</p> <ul style="list-style-type: none"> <li>a) it is expected to be settled in the Company's normal operating cycle,</li> <li>b) it is held primarily for the purpose of trading,</li> <li>c) it is due to be settled within twelve months after the reporting period</li> <li>d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.</li> </ul> <p>The Company classifies all other liabilities as noncurrent. Current liabilities include current portion of noncurrent financial liabilities.</p> <p>Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.</p>
<b>2.4</b>	<p><b>Use of estimates and assumptions</b></p> <p>The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.</p>
<b>2.5</b>	<p><b>Property, plant and equipment</b></p> <p>Property, plant and equipments are stated at historical cost less accumulated depreciation. Cost comprises of purchase price and other attributable costs , if any , in bringing the assets to its working condition for its intended use.</p> <p><b><u>Transition to Ind AS</u></b></p> <p>On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.</p> <p><b><u>Depreciation</u></b></p> <p>(i) Depreciation on Property, plant and equipment is provided for on Straight Line method in the manner prescribed in Part C of Schedule II of the Companies Act, 2013 and reckoning the maximum residual value @ 5% of the original cost of the asset.</p> <p>(ii) In respect of addition of assets during the year, depreciation has been provided on Pro-rata basis."</p>
<b>2.6</b>	<p><b>Inventories</b></p> <p>Stocks are valued at cost or net realizable value whichever is less.</p>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

2.7	<p><b>Revenue recognition</b></p> <p><u><b>Income from forex</b></u></p> <p>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. Revenue from the sale of currencies is recognised when the significant risks and rewards of ownership of the currencies have passed on to the buyer, usually on delivery of the currencies, and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of currencies. Revenue from the sale of currencies is measured at the fair value of the consideration received or receivable, net of trade discounts, other direct expenses and volume rebates.</p> <p><u><b>Interest Income</b></u></p> <p>Interest income is recognised on the time proportion basis, by reference to the principal outstanding and effective interest rate applicable."</p> <p><u><b>Commission receipts</b></u></p> <p>Commission receipts are recognised on accrual basis.</p>
2.8	<p><b>Employee benefits</b></p> <p><b>(i) Short-term employee benefits</b></p> <p>Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.</p> <p><b>(ii) Post Employment benefits</b></p> <p><b>(a) Defined contribution plans</b></p> <p>A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Contributions paid/payable for Provident Fund of eligible employees is recognized in the statement of Profit and Loss each year.</p> <p><b>(b) Defined benefit plans</b></p> <p>A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.</p> <p>Post employment benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The calculation of defined benefit obligation is performed by a qualified actuary using the projected unit credit method.</p>
2.9	<p><b>Financial instruments</b></p> <p>Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.</p> <p><b>(A) Financial Assets</b></p> <p>The Company determines the classification of its financial assets at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.</p>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

	<p>The financial assets are classified in the following measurement categories:</p> <p>a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and</p> <p>b) Those to be measured at amortised cost.</p> <p>For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss as incurred. Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.</p> <p><b>(i) Amortised Cost</b></p> <p>The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:</p> <p>a) The asset is held within a business model with the objective of collecting the contractual cash flows, and</p> <p>b) The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.</p> <p>Financial assets at amortised cost include loans receivable, trade and other receivables, and other financial assets that are held with the objective of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortised cost using the effective interest rate (EIR) method, less impairment.</p> <p>Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the Statement of Profit or Loss in other income.</p> <p><b>(ii) Fair value through other comprehensive income</b></p> <p>Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, and interest revenue which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.</p> <p><b>(iii) Financial assets at fair value through profit or loss</b></p> <p>The Company classifies the following financial assets at fair value through profit or loss:</p> <p>a) Debt investments that do not qualify for measurement at amortised cost;</p> <p>b) Debt investments that do not qualify for measurement at fair value through other comprehensive income; and</p> <p>c) Debt investments that have been designated at fair value through profit or loss.</p>
	<p><b>Derecognition of financial assets</b></p> <p>The Company derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.</p>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

	<p><b>(B) Financial Liabilities</b></p> <p>The Company determines the classification of its financial liabilities at initial recognition.</p> <p><b>Classification</b></p> <p>The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.</p> <p><b>Initial recognition and measurement</b></p> <p>Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. Loans and borrowings, payables are subsequently measured at amortised cost.</p> <p><b>Derecognition of financial liabilities</b></p> <p>A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.</p> <p><b>(C) Equity investments</b></p> <p>All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable.</p> <p>If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&amp;L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.</p>
2.10	<p><b>Cash and cash equivalents</b></p> <p>Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash, cheques on hand and short-term deposits, as defined above.</p>
2.11	<p><b>Deferred Revenue Expenditure</b></p> <p>Preliminary expenses, relating to public issue expenses, of amalgamating company has been fully written off and recorded under Other Comprehensive Income as on the transition date.</p>
2.12	<p><b>Taxation</b></p> <p><b>A. Current Tax</b></p> <p>Current income tax is measured at the amount of tax expected to be payable on the taxable income for the year.</p> <p><b>B. Deferred Tax</b></p> <p>'Deferred tax is recognised on temporary differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.</p>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

	<p>Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on the tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.</p> <p>Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. "</p>
<b>2.13</b>	<p><b>Segment accounting</b></p> <p>"The Company operates in a single segment i.e trading of foreign currencies and hence not call for segmentwise disclosure of assets, liabilities, revenues or expenses as prescribed under Indian Accounting Standard 108 on "Operating Segments".</p> <p>The Company operates mainly in Indian market and there are no reportable geographical segments."</p>
<b>2.14</b>	<p><b>Provisions, Contingent Liabilities and Contingent Assets</b></p> <p><b>A. Provisions</b></p> <p>"Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.</p> <p><b>B. Contingent liabilities</b></p> <p>Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount can not be made.</p> <p><b>C. Contingent assets</b></p> <p>Contingent assets are disclosed, where an inflow of economic benefit is probable.</p> <p>Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.</p>
<b>2.15</b>	<p><b>Statement of Cash flows</b></p> <p>Cash flow are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the Company are segregated.</p>
<b>2.16</b>	<p><b>Earnings per share</b></p> <p>Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.</p>
<b>2.17</b>	<p><b>Dividend to Equity Shareholders</b></p> <p>Dividend to equity shareholders is recognised as a liability and deducted from shareholder's equity in the period in which the dividends are approved by the equity shareholders in the general meeting.</p>



## PRITHVI EXCHANGE ( INDIA ) LIMITED

### 2.18 First time adoption of Ind AS :

"The company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. These financial statements for the year ended 31st March, 2018 are the first financial statement the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2017, the Company prepared its financial statements in accordance with rule 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP").

The Company has prepared opening Balance Sheet as per Ind AS as of 01st April, 2016 (transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, derecognising items of assets or liabilities which are not permitted to be recognised by Ind AS, reclassifying items from Previous GAAP to Ind AS as required and applying Ind AS to measure the recognised assets and liabilities. The optional exemption and mandatory exceptions availed by the Company under Ind AS 101 are as follows :"

#### A. Optional Exemptions

##### Deemed cost for property, plant and equipments

The Company has elected to continue with the carrying value determined in accordance with Previous GAAP for all of its property, plant and equipment recognised as of 01st April, 2016 (transition date) and use that carrying value as deemed cost of such assets as of transition date.

#### B. Mandatory Exceptions

##### Use of estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessary to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that are 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.

# PRITHVI EXCHANGE ( INDIA ) LIMITED

Prithvi Exchange (India) Limited  
(Formerly Prithvi Softech Limited)

## Note 3 Property, plant and equipment

Particular	Gross Block				Depreciation					Net Block	
	As at 01-04-2017	Additions	Deletions	Discarded	As at 31-03-2018	Upto 01-04-2017	For the Year	On deletion	On Discarded	As at 31-03-2018	As at 31-03-2017
Air Conditioner	492,260	116,314	24,900	-	583,674	26,458	75,140	19,549	-	82,049	465,802
Computer & Accessories	561,679	328,063	8,100	-	881,642	214,942	212,487	7,695	-	419,734	346,737
Electrical Fittings	217,842	-	-	67,603	150,239	39,519	39,168	-	67,603	11,084	178,323
Furniture & Fixture	1,234,171	276,604	70,000	61,898	1,378,877	228,119	238,215	66,500	61,898	337,936	1,006,052
Vehicles	7,368,164	309,588	47,000	90,269	7,540,483	577,723	1,044,371	41,144	80,948	1,500,002	6,790,441
Office Equipments	1,132,852	399,776	5,500	117,956	1,409,172	259,027	319,094	5,225	117,956	454,940	873,825
Total	11,006,968	1,430,345	155,500	337,726	11,944,087	1,345,788	1,928,475	140,113	328,405	2,805,745	9,661,180

## PRITHVI EXCHANGE ( INDIA ) LIMITED

Prithvi Exchange (India) Limited  
(Formerly Prithvi Softech Limited)

### Note 3 Property, plant and equipment

Particular	Gross Block				Depreciation					Net Block	
	As at 01-04-2016	Additions	Deletions	Discarded	As at 31-03-2017	Upto 01-04-2016	For the Year	On deletion	On Discarded	As at 31-03- 2017	As at 31-03-2016
Air Conditioner	425,035	126,725	59,500	-	492,260	-	77,138	50,680	-	26,458	425,035
Computer & Accessories	465,581	96,098	-	-	561,679	-	214,942	-	-	214,942	465,581
Electrical Fittings	217,842	-	-	-	217,842	-	39,519	-	-	39,519	217,842
Furniture & Fixture	1,176,058	76,440	15,000	3,327	1,234,171	-	245,696	14,250	3,327	228,119	1,176,058
Vehicles	2,885,685	4,651,189	168,710	-	7,368,164	-	726,626	148,903	-	577,723	2,885,685
Office Equipments	833,315	333,937	34,400	-	1,132,852	-	283,335	24,308	-	259,027	833,315
Total	6,003,516	5,284,389	277,610	3,327	11,006,968	-	1587,256	238,141	3,327	1,345,788	6,003,516

## PRITHVI EXCHANGE ( INDIA ) LIMITED

Note : The company has availed the deemed cost exemption in relation to the Property, Plant & Equipment on the date of transition i.e 01st April 2016 and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

Refer note below for the gross block value and the accumulated depreciation on 01st April, 2016 under the IGAAP.

Particular	As At 1st April 2016		
	Gross Block	Accumulated Depreciation	Net Block
Air Conditioner	750,343	325,308	425,035
Computer & Accessories	1,946,234	1,480,653	465,581
Electrical Fittings	556,224	338,382	217,842
Furniture & Fixture	3,414,633	2,238,575	1,176,058
Vehicles	5,196,594	2,310,909	2,885,685
Office Equipments	2,536,115	1,702,800	833,315
<b>Total</b>	<b>14,400,143</b>	<b>8,396,627</b>	<b>6,003,516</b>

### Prithvi Exchange (India) Limited Notes to Financial statements

#### Note 4 : Non-current investments

Particulars	Face Value	Quantity	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
<b><u>Unquoted equity shares measured at fair value through OCI</u></b>					
Prithvi Finsec Private Limited	10	360,000	3,600,000	3,600,000	-
B.S Refrigerators Limited	10	1,900	1,900	1,900	1,900
			3,601,900	3,601,900	1,900
<b><u>Quoted equity shares measured at fair value through OCI</u></b>					
Asian Paints Limited	1	50	56,035	-	-
Bafna Pharmaceuticals Limited	10	68,555	1,919,540	2,025,800	2,049,795
Bharti Airtel Limited	5	275	109,698	96,236	96,498
Beckons Industries Limited	10	6,300	63,000	1,197	1,386
Central Depository Services Limited	10	100	28,265	-	-

## PRITHVI EXCHANGE ( INDIA ) LIMITED

DCB Bank Limited	10	1,500	242,100	255,975	118,425
Everonn Education Limited	10	25	250	306	506
Rain Industries Limited	2	700	261,870	-	-
Raymond Limited	10	700	628,985	-	-
RBL Limited	10	100	47,690	-	-
Reliance Capital Limited	10	40	16,940	24,608	14,726
Reliance Communication Limited	5	5,590	121,583	99,197	129,500
Reliance Home Finance Limited	10	40	2,410	-	-
State Bank of India	1	1,000	250,100	146,300	97,150
Sugal & Damani Share Brokers Limited	10	58,210	643,220	571,622	560,562
Tata Communication Limited	10	65	40,375	46,950	24,762
Tata Consultancy Services Limited	1	475	1,353,418	1,154,773	1,195,124
Tata Elxsi Limited	10	1,350	1,329,953	877,890	1,128,330
Tata Teleservices (Maharashtra) Limited	10	2,833	15,610	20,398	18,783
Tech Mahindra Limited	5	1,200	765,960	599,318	619,988
TV 18 Broadcast Limited	2	1,000	67,050	-	-
UCO Bank Limited	10	2,600	56,160	93,470	100,490
State Bank of Bikaner & Jaipur	10	-	-	77,125	-
State Bank of Travancore	10	-	-	60,725	-
VIP Industries Limited	2	100	31,680	-	-
Voltas Limited	1	100	62,060	-	-
Yes Bank Limited	2	3,250	990,925	464,730	259,365
			<b>18,300,603</b>	<b>12,826,586</b>	<b>12,977,471</b>
<b><u>Other Investments measured at fair value through OCI</u></b>					
<b>(a) Investment in Tax free bonds (Quoted) - Fully paid</b>					
National Highway Authority of India		247	263,994	277,628	274,170
Rural Electrification Corporation Limited		1,000	1,183,000	1,215,000	1,131,700
<b>(b) Other Investments</b>					
Investment in Gold (Quoted)			10,873,692	0,694,907	8,384,564
Investment in Coin (Unquoted)			1,335,872	1,335,872	1,335,872
			13,656,558	13,523,407	11,126,306
<b><u>Total Investments</u></b>			<b>35,559,061</b>	<b>29,951,893</b>	<b>24,105,677</b>
Aggregate book value of quoted investments			30,621,289	5,014,121	2,767,905
Aggregate market value of quoted investments			30,621,289	5,014,121	2,767,905
Aggregate carrying value of unquoted investments			4,937,772	4,937,772	1,337,772

## PRITHVI EXCHANGE ( INDIA ) LIMITED

Category-wise other investments-as per Ind AS 109 classification			
Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
Financial assets carried at fair value through profit or loss (FVTPL)	-	-	-
Financial assets carried at amortised cost	4,937,772	4,937,772	1,337,772
Financial assets measured at FVTOCI	30,621,289	25,014,121	22,767,905
<b>Total Investments</b>	<b>35,559,061</b>	<b>29,951,893</b>	<b>24,105,677</b>

### Notes to Financial statements

#### Note 5 : Other non-current financial assets

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
<b><u>Unsecured, considered good</u></b>			
In Deposit accounts (original maturity more than 12 months)	18,538,287	-	-
Other deposits	4,494,502	4,251,182	4,301,619
<b>Total</b>	<b>23,032,789</b>	<b>4,251,182</b>	<b>4,301,619</b>

#### Note 6 : Inventories

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
<b><u>Stock In Trade</u></b>			
Foreign currencies	35,577,852	31,180,717	32,995,392
Gold	5,984,423	5,704,309	5,712,313
Sim Card	-	-	16,800
<b>Total</b>	<b>41,562,275</b>	<b>36,885,026</b>	<b>38,724,505</b>

#### Note 7 : Trade receivables

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
Secured, considered good	-	-	-
Unsecured, considered good	58,880,911	32,145,775	34,887,714
Unsecured, considered doubtful	-	-	-
	58,880,911	32,145,775	34,887,714
Less: Allowance for doubtful debts	-	-	-
<b>Total</b>	<b>58,880,911</b>	<b>32,145,775</b>	<b>34,887,714</b>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

### Note 8 : Cash and cash equivalents

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
<b>Cash and cash equivalents</b>			
Cash on hand	12,983,927	13,048,915	13,967,536
Cheques, drafts on hand	3,229,426	8,007,430	3,752,456
Balances with banks			
- In current accounts	47,216,608	76,492,017	66,895,512
<b>Total</b>	<b>63,429,961</b>	<b>97,548,362</b>	<b>84,615,504</b>

### Note 9 : Other Bank balances

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
In Unclaimed dividend account	391,106	477,248	374,845
In Deposit accounts (original maturity more than three months but upto twelve months)	51,296,135	42,435,557	33,800,058
<b>Total</b>	<b>51,687,241</b>	<b>42,912,805</b>	<b>34,174,903</b>

### Note 10 : Loans

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
<b><u>Unsecured, considered good</u></b>			
Advances to employees	510,149	946,947	1,136,631
Others	24,465,744	26,911,970	19,680,050
<b>Total</b>	<b>24,975,893</b>	<b>27,858,917</b>	<b>20,816,681</b>

Note : Loans are non-derivative financial assets which generate a fixed or variable interest income for the company. The carrying value may be affected by changes in the credit risk of the counter parties. These financial assets are carried at amortised cost.

## PRITHVI EXCHANGE ( INDIA ) LIMITED

Note 11 :

### A. Income tax asset (net)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
_Advance payment of Income Tax (net)	8,901,934	5,559,482	7,117,005
<b>Total</b>	<b>8,901,934</b>	<b>5,559,482</b>	<b>7,117,005</b>

### B Deferred tax assets (net)

Particulars		As at 31st March 2018	As at 31st March 2017
<b>(a) Statement of Profit &amp; loss</b>			
<b>Profit &amp; loss section</b>			
Current income tax		11,300,000	11,500,000
Deferred tax relating to origination & reversal of temporary differences		(55,684)	(16,666)
Deferred tax relating to Ind AS adjustments		-	-
<b>Income tax expense reported in the statement of profit or loss</b>		<b>11,244,316</b>	<b>11,483,334</b>
<b>(b) Other comprehensive income section</b>			
On Unrealised (gain)/loss on FVTOCI equity securities		(597,755)	(9,192)
On Net loss/(gain) on remeasurements of defined benefit plans		-	-
<b>Income tax charged to OCI</b>		<b>(597,755)</b>	<b>(9,192)</b>
<b>(C) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended</b>			
Accounting profit before income tax		<b>29,716,800</b>	<b>32,692,647</b>
Statutory income tax rate		<b>33.063%</b>	<b>33.063%</b>
<b>Tax at statutory income tax rate of 33.063%</b>	<b>(A)</b>	<b>9,825,266</b>	<b>10,809,170</b>
Tax effects of :			
Income not subject to tax		(130,996)	(73,264)
Inadmissible expenses or expenses treated separately		2,832,756	1,976,474
Admissible deductions		(631,546)	(605,480)
Deduction Under chapter - VI		(595,480)	(606,900)
Deferred tax on other items		(55,684)	(16,666)
<b>Total tax effect</b>	<b>(B)</b>	<b>1,419,050</b>	<b>674,164</b>
<b>Income tax expense reported in statement of Profit &amp; loss</b>	<b>(A+B)</b>	<b>11,244,316</b>	<b>11,483,334</b>



## PRITHVI EXCHANGE ( INDIA ) LIMITED

(C) Deferred tax relates to the following:

Particulars	Balance sheet		
	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
<b><u>Deferred tax assets</u></b>			
Property, plant and equipment	(336,974)	(281,290)	(264,624)
<b><u>Deferred tax liability</u></b>			
Fair valuation of financial instruments	1,462,645	864,890	855,698
<b>Total</b>	<b>1,125,671</b>	<b>583,600</b>	<b>591,074</b>

Particulars	Recognised in Profit and Loss	
	As at 31st March 2018	As at 31st March 2017
Property, plant and equipment	55,684	16,666
<b>Total</b>	<b>55,684</b>	<b>16,666</b>

Particulars	Recognised in OCI	
	As at 31st March 2018	As at 31st March 2017
Fair valuation of financial instruments	( 597,755 )	( 9,192 )
<b>Total</b>	<b>( 597,755 )</b>	<b>( 9,192 )</b>

(d) Reconciliation of deferred tax liabilities (net):

Particulars	Recognised in Profit and Loss	
	As at 31st March 2018	As at 31st March 2017
Balance at the beginning of the reporting period	583,600	591,074
Tax (income)/expense during the period recognised in Profit & Loss (DTA)	(55,684)	(16,666)
Tax income/(expense) during the period recognised in OCI (DTL)	597,755	9,192
<b>Total</b>	<b>1,125,671</b>	<b>583,600</b>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

### Note 12 : Other current assets

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
<b>Unsecured, considered good</b>			
Balances with govt. agencies:			
- Service tax	153,278	482,848	324,195
- Goods and service tax	398,021	-	-
Others	11,316,961	15,590,107	9,458,077
<b>Total</b>	<b>11,868,260</b>	<b>16,072,955</b>	<b>9,782,272</b>

### Notes to Financial statements

### Note 13 : Equity Share capital

Particulars	As at 31st March 2018		As at 31st March 2017		As at 31st March 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
<b>Authorised</b>						
Equity Shares of Rs 10/- each with voting rights	7,000,000	70,000,000	7,000,000	70,000,000	7,000,000	70,000,000
6% Redeemable preference shares of Rs 100/- each	300,000	30,000,000	300,000	30,000,000	300,000	30,000,000
<b>Issued</b>						
Equity Shares of Rs 10/- each with voting rights						
Shares outstanding at beginning of the year	5,499,767	54,997,670	5,499,767	54,997,670	5,499,767	54,997,670
<b>Shares outstanding at the end of the year</b>	<b>5,499,767</b>	<b>54,997,670</b>	<b>5,499,767</b>	<b>54,997,670</b>	<b>5,499,767</b>	<b>54,997,670</b>
<b>Subscribed and fully paid up</b>						
Equity Shares of Rs 10/- each with voting rights						
Shares outstanding at beginning of the year	5,499,767	54,997,670	5,499,767	54,997,670	5,499,767	54,997,670
Shares outstanding at the end of the year	5,499,767	54,997,670	5,499,767	54,997,670	5,499,767	54,997,670
<b>Total</b>	<b>5,499,767</b>	<b>54,997,670</b>	<b>5,499,767</b>	<b>54,997,670</b>	<b>5,499,767</b>	<b>54,997,670</b>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

### a) Rights, preferences and restrictions attached to shares

#### Equity shares

The Company has one class of equity shares having a par value of ` Rs 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share-holding.

### b) Shareholders holding more than 5% of equity share capital

Particulars	As at 31st March 2018		As at 31st March 2017		As at 31st March 2016	
	Number of shares	%	Number of shares	%	Number of shares	%
Ashok Kumar Kavad	-	-	-	-	2,544,842	46.27%
Usha Kavad	987,345	17.95%	987,345	17.95%	937,345	17.04%
Ashok Kumar Kavad HUF	981,537	17.85%	981,537	17.85%	286,695	5.21%
Pavan Kumar Kavad	1,988,040	36.15%	1,988,040	36.15%	NA	NA

### Note 14 : Other equity

Particulars	Reserves & Surplus		Items of OCI	Total Equity
	Capital reserve	Retained earnings	Equity Instruments through OCI	
<b>Balance at 01st April, 2016</b>	<b>82,750</b>	<b>149,396,806</b>	<b>3,343,017</b>	<b>152,822,573</b>
Profit for the year	-	21,209,313	-	21,209,313
Other comprehensive income for the year net of income tax	-	-	35,913	35,913
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>21,209,313</b>	<b>35,913</b>	<b>21,245,226</b>
Cash dividends (Refer Note below)	-	(2,749,884)	-	(2,749,884)
Dividend Distribution Tax (DDT) (Refer Note below)	-	(559,812)	-	(559,812)
	-	(3,309,696)	-	(3,309,696)
<b>Balance at 31st March, 2017</b>	<b>82,750</b>	<b>167,296,423</b>	<b>3,378,930</b>	<b>170,758,103</b>
<b>Balance at the beginning of the reporting period</b>	<b>82,750</b>	<b>167,296,423</b>	<b>3,378,930</b>	<b>170,758,103</b>
Profit for the year	-	18,472,484	-	18,472,484
Other comprehensive income for the year net of income tax	-	-	2,335,292	2,335,292
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>18,472,484</b>	<b>2,335,292</b>	<b>20,807,776</b>
Cash dividends (Refer Note below)	-	(2,749,884)	-	(2,749,884)
Dividend Distribution Tax (DDT) (Refer Note below)	-	(559,812)	-	(559,812)
	-	(3,309,696)	-	(3,309,696)
<b>Balance at 31st March, 2018</b>	<b>82,750</b>	<b>182,459,211</b>	<b>5,714,222</b>	<b>188,256,183</b>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

### Distributions made and proposed

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017	For the year ended 31st March 2016
<b>Cash dividends on equity shares declared and paid:</b>			
Final dividend - Rs 0.50 per share	-	2,749,884	2,749,884
Dividend Distribution Tax on final dividend	-	559,812	563,023
	-	<b>3,309,696</b>	<b>3,312,907</b>

### Note 15 : Long term provisions

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
<b>Provision for employee benefits</b>			
Provision for Gratuity (Refer Note 26)	2,712,513	1,776,472	2,077,342
Provision for bonus	500,000	469,000	273,836
Provisions for incentives	350,000	732,000	300,000
<b>Total</b>	<b>3,562,513</b>	<b>2,977,472</b>	<b>2,651,178</b>

### Note 16 : Financial Liabilities- borrowings

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
<b><u>Secured</u></b>			
<b><u>From Banks</u></b>			
Overdraft facility from Banks (Secured by Fixed deposits)	-	-	2,747
<b><u>Other loans and advances</u></b>			
Book overdraft	8,519,555	-	-
<b>Total</b>	<b>8,519,555</b>	<b>-</b>	<b>2,747</b>

### Note 17 : Current financial liabilities- trade payables

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
<b>Unsecured, considered good</b>			
Due to Micro, Small and Medium Enterprises (MSMED)*	-	-	-
Others	56,871,884	63,365,631	48,059,798
<b>Total</b>	<b>56,871,884</b>	<b>63,365,631</b>	<b>48,059,798</b>

\*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

## PRITHVI EXCHANGE ( INDIA ) LIMITED

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-

### Note 18 : Other current financial liabilities

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
Unclaimed dividend	391,106	477,248	374,845
Franchise security Deposits	61,500	61,500	61,500
Others	3,851,918	2,036,186	1,556,131
<b>Total</b>	<b>4,304,524</b>	<b>2,574,934</b>	<b>1,992,476</b>

**Note :** Provision for compensated absences have not been recognised, since the employees have utilised the leave available to their credit.

### Note 19 : Other current liabilities

Particulars	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
Advances from customers	5,981,542	3,594,264	445,759
Statutory dues	1,731,001	861,021	855,424
Others	3,686,124	3,134,882	2,110,697
<b>Total</b>	<b>11,398,667</b>	<b>7,590,167</b>	<b>3,411,880</b>

### Note 20 : Revenue from operation

Particulars		Year ended 31st March, 2018	Year ended 31st March, 2017
		INR	INR
	<b>Revenue from operation</b>		
(a)	Income From Forex Business	69,899,267	70,323,652
(b)	Commission Receipts	13,737,851	13,854,659
(c)	Service Charges	6,408,892	5,376,681
	<b>Total</b>	<b>90,046,010</b>	<b>89,554,992</b>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

### Note 21 : Other income

	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
		INR	INR
(a)	Interest income	6,397,546	5,413,889
(b)	Dividend income from long term investments	97,086	110,304
(c)	Profit on Sale of Assets	5,978	6,431
(d)	Profit on Sale of Shares	186,283	-
(e)	Miscellaneous Income	127,115	190,814
	<b>Total</b>	<b>6,814,008</b>	<b>5,721,438</b>

### Note 22 : Employee benefit expenses

	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
		INR	INR
(a)	Salaries, Wages, Bonus and other benefits	33,213,167	31,873,294
(b)	Contributions to provident and other funds	2,498,836	2,164,442
(c)	Staff welfare expenses	1,649,887	1,526,571
	<b>Total</b>	<b>37,361,890</b>	<b>35,564,307</b>

### Note 23 : Finance cost

	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
		INR	INR
	Interest expenses on other loans (Refer note below)	183,541	227,129
	<b>Total</b>	<b>183,541</b>	<b>227,129</b>

### Note 24 : Other expenses

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	INR	INR
Advertisement Expenses.	747,462	329,974
Annual Maintenance Charges	405,342	502,589
Meeting Expenses	35,268	127,533
Assets Discarded	7,136	-
Auditor's Remuneration (Refer note below)	460,000	460,000
Baddebt	25,664	389,006
Bank Charges	805,008	731,434
Books & Periodicals	4,479	4,199
Business Promotion Expenses	746,837	560,918
Consultancy Charges	1,281,000	503,080
Listing & Custodial Fees	293,213	360,335

## PRITHVI EXCHANGE ( INDIA ) LIMITED

Delivery Charges	523,465	477,139
Director's Sitting Fees	74,000	84,000
Donation	5,196,100	4,484,722
Electricity Expenses	900,230	935,217
Interest on Late Payment of TDS	943	1,004
Insurance Charges	1,209,970	725,500
Miscellaneous Expenses	95,768	362,709
Membership Fees & Subscription	51,500	46,000
Office Maintenance	1,057,434	753,649
Postage & Telegram	360,311	436,543
Printing And Stationery	928,668	838,939
Rates & Taxes	302,862	269,823
Rent	6,276,401	5,812,455
Repairs & Maintenance	498,552	619,996
Software Charges	460,717	557,910
Share Transfer Charges	55,831	48,333
Telephone & Internet Charges	1,142,009	1,308,439
Travelling & Conveyance	2,118,251	2,151,349
Vehicle Maintenance	1,604,891	1,322,296
<b>Total</b>	<b>27,669,312</b>	<b>25,205,091</b>

### Notes : Payments to Auditors, excluding taxes

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	INR	INR
<b><u>Payments to the auditors</u></b>		
- For Statutory Audit	300,000	300,000
- For Tax Audit	60,000	60,000
- For Taxation Matters	60,000	60,000
- Reimbursement of expenses	40,000	40,000
<b>Total</b>	<b>460,000</b>	<b>460,000</b>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

Note	Particulars	As at 31st March 2018	As at 31st March 2017
		INR	INR
25	<b>(i) Commitments and Contingent liabilities (to the extent not provided for)</b> Commitments Contingent liabilities - Claims against the Company not acknowledged as debt	NIL	NIL
	- Disputed Income tax demands appealed against, not provided for :	12.15 Lakhs	12.15 Lakhs
	<b>(ii) Contingent Assets</b> The Company does not have any contingent assets.		
26	<b>Employee benefit plans</b> <b>a) Defined contribution plans:</b> Amount towards Defined Contribution Plans have been recognised under "Contributions to provident and other funds" in Note : 22 Rs 24,98,836/- for financial year 2017-2018 (Rs 21,64,442/- for financial year 2016-2017). <b>b) Defined benefit plans:</b> The Company operates post employment defined employee benefits plans in the form of funded Gratuity. Details of funded plans are as follows:		

Particular	As at 31st March 2018	As at 31st March 2017
	INR	INR
<b>1. Changes In Present Value of obligation</b> a. Obligation as at the beginning of the year b. Current Service Cost c. Interest Cost d. Actuarial (Gain)/Loss e. Benefits Paid f. Obligation as at the end of the year	2,292,349 1,644,952 - 132,115 132,115 <b>3,937,301</b>	2,077,342 515,877 - - 300,870 <b>2,292,349</b>
<b>2. Changes in Fair Value of Plan Assets</b> a. Fair Value of Plan Assets as at the beginning of the year b. Expected return on Plan Assets c. Actuarial Gain/(Loss) d. Contributions e. Benefits Paid f. Fair Value of Plan Assets as at the end of the year	515,877 41,026 - 800,000 132,115 <b>1,224,788</b>	- - (84,123) 600,000 - <b>515,877</b>
<b>3. Amount Recognised in The Balance Sheet</b> a. Fair Value of Plan Assets as at the end of the year b. Present Value of Obligation as at the end of the year c. Amount recognised in the Balance Sheet	1,224,788 3,937,301 <b>(2,712,513)</b>	515,877 2,292,349 <b>(1,776,472)</b>
<b>4. Expense recognised in P &amp; L during the year</b> a. Current Service Cost b. Net Interest Cost c. Expense recognised during the year	1,777,067 (41,026) <b>1,736,041</b>	600,000 - <b>600,000</b>
<b>5. Expense recognised in OCI during the year</b> a. Return on Plan Assets, Excluding Interest Income b. Actuarial (Gain)/Loss recognised on Obligation c. Net (Income)/Expense recognised during the year	- - -	- - -
<b>6. Investment Details of Plan Assets</b> Administered by LIC of India	100%	100%



# PRITHVI EXCHANGE ( INDIA ) LIMITED

## Assumptions :

Particular	As at 31st March 2018	As at 31st March 2017
	INR	INR
a. Discount Rate (per annum)	7.69%	8.00%
b. Salary Escalation Rate (per annum)	7.50%	7.50%
c. The estimate of mortality rate during employment has been considered as per Indian Assured Lives Mortality (2006-2008).		
d. The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors.		

## Notes to Financial statements

Note	Particulars			
27	Related party transactions			
	Description of relationship	Names of related parties		
	<u>Key Management Personnel (KMP)</u>			
	Chairman	Mr K.N Deenadayalan		
	Director	Mr D. Suresh Kumar		
	Independent Director	Mr Mahaveer Chand Khariwal		
	Whole-time Director	Mr Pavan Kumar Kavadi		
	Independent Director	Ms Anuradha Jayaraman		
	Chief Financial Officer	Mr S.P Mahesh		
	Company Secretary	Ms Gayathri Samiappan (Appointed on 01/06/2017)		
	Details of transactions with related parties :			
	Description	Name	Year ended 31st March, 2018	Year ended 31st March, 2017
	Managerial remuneration	Megha Somani	-	171,180
		Gayathri Samiappan	160,039	-
		S.P Mahesh	1,661,100	1,171,003
		Ashok Kumar Kavadi	-	2,900,000
		Pavan Kumar Kavadi	2,400,000	1,200,000
		4,221,139	5,442,183	
Re-imbursement of expenses	S.P Mahesh	500,000	396,000	
		500,000	396,000	

Note	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
		INR	INR
28	<b>Earnings per share</b>		
	<u>Basic &amp; Diluted</u>		
	Net profit / (loss) for the year	20,807,776	21,245,226
	Weighted average number of equity shares	5,499,767	5,499,767
	Par value per share	10	10
	Earnings per share	3.78	3.86
29	Previous year's figures have been re-grouped/re-arranged wherever found necessary.		

# PRITHVI EXCHANGE ( INDIA ) LIMITED

## Note 30 : First-time IND AS adoption reconciliation

### Effect of IND AS adoption on the Balance Sheet as at 31st March 2017 and 01st April 2016

Prithvi Exchange (India) Limited		As at 31st March, 2017			As at 01st April 2016		
		(End of last period presented under previous GAAP)			(Date of transition)		
Particulars	Note No.	IGAAP	Effect of transition to Ind AS	IND AS	IGAAP	Effect of transition to Ind AS	IND AS
		INR	INR	INR	INR	INR	INR
1 ASSETS							
Non-current assets							
Property, Plant and Equipment		9,661,180	-	9,661,180	6,003,516	-	6,003,516
Capital work-in-progress		-	-	-	-	-	-
Investment Property		-	-	-	-	-	-
Financial Assets					-	-	
- Investments	1	25,669,746	4,282,147	29,951,893	19,868,635	4,237,042	24,105,677
- Loans		-	-	-	-	-	-
- Others		4,251,182	-	4,251,182	4,301,619	-	4,301,619
Other non-current assets	2	519,104	(519,104)	-	519,104	(519,104)	-
<b>Total non-current assets</b>		<b>40,101,212</b>	<b>3,763,043</b>	<b>43,864,255</b>	<b>30,692,874</b>	<b>3,717,938</b>	<b>34,410,812</b>
2 Current assets							
Inventories		36,885,026	-	36,885,026	38,724,505	-	38,724,505
Financial assets							
(i) Investments		-	-	-	-	-	-
(ii) Trade receivables		32,145,775	-	32,145,775	34,887,714	-	34,887,714
(iii) Cash & cash equivalents		97,548,362	-	97,548,362	84,615,504	-	84,615,504
(iv) Bank balances other than (iii) above		42,912,805	-	42,912,805	34,174,903	-	34,174,903
(v) Loans		27,858,917	-	27,858,917	20,816,681	-	20,816,681
(vi) Others		-	-	-	-	-	-
Current tax assets (net)		5,559,482	-	5,559,482	7,117,005	-	7,117,005
Other current assets	1	16,111,282	(38,327)	16,072,955	9,820,599	(38,327)	9,782,272
<b>Total current assets</b>		<b>259,021,649</b>	<b>(38,327)</b>	<b>258,983,322</b>	<b>230,156,911</b>	<b>(38,327)</b>	<b>230,118,584</b>
<b>TOTAL ASSETS</b>		<b>299,122,861</b>	<b>3,724,716</b>	<b>302,847,577</b>	<b>260,849,785</b>	<b>3,679,611</b>	<b>264,529,396</b>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

3	EQUITY AND LIABILITIES						
	Equity						
	Equity Share Capital	54,997,670	-	54,997,670	54,997,670	-	54,997,670
	Other equity	164,588,581	6,169,522	170,758,103	146,688,964	6,133,609	152,822,573
	<b>Total equity</b>	<b>219,586,251</b>	<b>6,169,522</b>	<b>225,755,773</b>	<b>201,686,634</b>	<b>6,133,609</b>	<b>207,820,243</b>
4	Non-current liabilities						
	Financial liabilities						
	(i) Borrowings	-	-	-	-	-	-
	(ii) Other financial liabilities	-	-	-	-	-	-
	Deferred tax liability (net)	(281,290)	864,890	583,600	(264,624)	855,698	591,074
	Provisions	6,287,168	(3,309,696)	2,977,472	5,960,874	(3,309,696)	2,651,178
	<b>Total non-current liabilities</b>	<b>6,005,878</b>	<b>(2,444,806)</b>	<b>3,561,072</b>	<b>5,696,250</b>	<b>(2,453,998)</b>	<b>3,242,252</b>
5	Current liabilities						
	Financial liabilities						
	(i) Borrowings	-	-	-	2,747	-	2,747
	(ii) Trade payables	63,365,631	-	63,365,631	48,059,798	-	48,059,798
	(iii) Other financial liabilities	2,574,934	-	2,574,934	1,992,476	-	1,992,476
	Other current liabilities	7,590,167	-	7,590,167	3,411,880	-	3,411,880
	<b>Total current liabilities</b>	<b>73,530,732</b>	<b>-</b>	<b>73,530,732</b>	<b>53,466,901</b>	<b>-</b>	<b>53,466,901</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>299,122,861</b>	<b>3,724,716</b>	<b>302,847,577</b>	<b>260,849,785</b>	<b>3,679,611</b>	<b>264,529,396</b>
		-	-	-	-	-	-

# PRITHVI EXCHANGE ( INDIA ) LIMITED

## Explanatory Notes to Balance sheet Reconciliation

- 1 **Re-measurement of non-current financial assets-Investments**  
Under Indian GAAP, long term investments were measured at cost less diminution in value which is not temporary in nature. Under Ind AS, these financial assets have been classified as FVTOCI. On the date of transition to Ind AS, these financial assets have been measured at their fair value and the restatement gain / (loss) has been taken to Other Comprehensive Income (OCI). Under Ind AS, certain investments are to be shown at amortised cost. Hence, Rs 38,327/- which represents interest accrued but not due on Bonds have been reclassified to the carrying value of respective Bonds.
- 2 **Re-measurement of unamortised share issue expenses**  
The company has decided to write-off the unamortised share issue expenses of Rs 5,19,104/- on the date of transition to Ind AS and same has been taken to the Other comprehensive income (OCI).
- 3 **Deferred tax**  
Deferred tax has been recognised on account of adjustments made due to application of Ind AS. These adjustments have resulted in an increase in deferred tax liability by Rs 8,64,890/- as at 31st March 2017.
- 4 **Proposed dividend**  
Under Indian GAAP, dividends on equity shares recommended by the Board of Directors after the end of the reporting period but before the financial statements were approved for issue were recognised in the financial statements as a liability. Under Ind AS, such dividends are recognised when declared by the members in a General Meeting.

5 **Reconciliation of total equity as at 31st March 2017 and 01st April 2016**

Particulars	Note No	As at 31st March 2017	As at 01st April 2016
		INR	INR
<b>Total equity (shareholder's fund) under previous GAAP</b>		219,586,251	201,686,634
<b>Adjustments for :</b>			
Fair valuation of quoted and unquoted investments	<b>1 above</b>	4,243,820	4,198,715
Proposed dividend and related distribution tax	<b>4 above</b>	3,309,696	3,309,696
Unamortised share issue expenses	<b>2 above</b>	(519,104)	(519,104)
Tax impact on Ind AS adjustments	<b>3 above</b>	(864,890)	(855,698)
<b>Total adjustment to equity</b>		<b>6,169,522</b>	<b>6,133,609</b>
<b>Total equity under Ind AS</b>		<b>225,755,773</b>	<b>207,820,243</b>

# PRITHVI EXCHANGE ( INDIA ) LIMITED

## Effect of IND AS adoption on the Standalone Statement of Profit and Loss for the year ended 31st March 2017

Prithvi Exchange (India) Limited		Year ended 31st March 2017 (Latest period presented under previous GAAP)		
Particulars		IGAAP	Effect of transition to Ind AS	IND AS
		INR	INR	INR
<b>I</b>	<b>Income</b>			
	Revenue from operation	89,554,992	-	89,554,992
	Other income	5,721,438	-	5,721,438
	<b>Total income</b>	<b>95,276,430</b>	<b>-</b>	<b>95,276,430</b>
<b>II</b>	<b>Expenses</b>			
	Employee benefit expenses	35,564,307	-	35,564,307
	Finance cost	227,129	-	227,129
	Depreciation and amortisation	1,587,256	-	1,587,256
	Other expenses	25,205,091	-	25,205,091
	<b>Total expenses</b>	<b>62,583,783</b>	<b>-</b>	<b>62,583,783</b>
<b>III</b>	Profit / (Loss) before exceptional items and tax (3 - 4)	32,692,647	-	32,692,647
<b>IV</b>	Exceptional items	-	-	-
<b>V</b>	<b>Profit before tax (III-IV)</b>	<b>32,692,647</b>	<b>-</b>	<b>32,692,647</b>
<b>VI</b>	Tax expense:			
	- Current tax	11,500,000	-	11,500,000
	- Deferred tax	(16,666)	-	(16,666)
		11,483,334	-	11,483,334
<b>VII</b>	<b>Profit / (Loss) for the year (V - VI)</b>	<b>21,209,313</b>	<b>-</b>	<b>21,209,313</b>
<b>VIII</b>	Other Comprehensive Income			
	(A) Items that will be reclassified to profit or loss	-	-	-
	(B) Items that will not be reclassified to profit or loss			
	Net gain/(loss) on equity instruments through			
	Other Comprehensive Income	-	45,105	45,105
	Income tax effect on above	-	(9,192)	(9,192)
<b>IX</b>	<b>Total Comprehensive Income (VII+VIII)</b>	<b>21,209,313</b>	<b>35,913</b>	<b>21,245,226</b>

## PRITHVI EXCHANGE ( INDIA ) LIMITED

### Explanatory Notes to Profit Reconciliation for the year 2016-2017 :

- 1 Re-measurement of non-current financial assets-Investments**  
Under Indian GAAP, long term investments were measured at cost less diminution in value which is not temporary in nature. Under Ind AS, these financial assets have been classified as FVTOCI. On the date of transition to Ind AS, these financial assets have been measured at their fair value and the restatement gain or (loss) has been taken to Other Comprehensive Income (OCI).
- 2 Deferred Tax**  
Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.
- 3 Reconciliation of total comprehensive income for the year ended 31st March 2017**

Particulars	Note No	As at 31st March 2017
		INR
Profit after tax as per previous GAAP		21,209,313
Adjustments for other comprehensive income :		
Fair valuation of quoted and unquoted investments	1 above	45,105
Tax impact on Ind AS adjustments	2 above	(9,192)
<b>Total effect on transition to Ind AS</b>		<b>35,913</b>
<b>Total comprehensive income under Ind AS</b>		<b>21,245,226</b>

# PRITHVI EXCHANGE ( INDIA ) LIMITED

## Effect of Ind AS adoption on the statement of cash flow for the year ended 31st March 2017

Particulars	Year ended 31st March 2017		
	IGAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	30,725,739	(8,737,902)	21,987,837
Net cash flows from investing activities	(5,515,407)	-	(5,515,407)
Net cash flows from financing activities	(3,539,572)	-	(3,539,572)
<b>Net increase (decrease) in cash and cash equivalent</b>	<b>21,670,760</b>	<b>(8,737,902)</b>	<b>12,932,858</b>
Cash and cash equivalent at the beginning of the period	118,790,407	(34,174,903)	84,615,504
<b>cash and cash equivalent at the end of the period</b>	<b>140,461,167</b>	<b>(42,912,805)</b>	<b>97,548,362</b>

	As at 31st March 2017	As at 01st April 2016	
<b>Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP</b>	140,461,167	118,790,407	
<b>Other bank balances earlier considered as cash and cash equivalent</b>			
Bank deposits with original maturity more than 3 months but upto 12 months	42,912,805	34,174,903	
<b>Cash and cash equivalents for the purpose of statement of cash flows under Ind AS</b>	<b>97,548,362</b>	<b>84,615,504</b>	

In terms of our report of even date attached.

For and on behalf of the Board of Directors

For DIYALI B AND ASSOCIATES  
Chartered Accountants  
Firm Regn No. 017740S

K.N Deenadayalan  
Director  
DIN : 02910246

Pavan Kumar Kavadi  
Wholetime Director  
DIN : 07095542

Diyali B  
Proprietrix  
Membership No. 242354

Gayathri Samiappan  
Company Secretary

S.P Mahesh  
Chief Financial Officer

Place : Chennai  
Date : 19th May 2018

## PRITHVI EXCHANGE ( INDIA ) LIMITED

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**PRITHVI EXCHANGE (INDIA) LIMITED  
(FORMERLY KNOWN AS PRITHVI SOFTECH LIMITED)**

**CIN: L30006TN1995PLC031931**

**Office: No.11, East Spur Tank Road, Chetpet  
Chennai – 600 031**

**WEBSITE: [www.prithvifx.com](http://www.prithvifx.com)**

**ATTENDANCE SLIP**

**(To be presented at the entrance)**

I hereby record my presence at 23rd Annual General Meeting ON 17th September 2018 At NammaVeedu Vasantha Bhavan No.2, Poonamallee, High Road, Maduravoyal, Varalakshmi Nagar, Opposite MGR University, Chennai – 600 095

Folio No. ----- DP. ID No. ----- Client ID. -----

Name of the Member / proxy holder

Signature -----

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting



## PRITHVI EXCHANGE ( INDIA ) LIMITED

### PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member (s) : Registered Address :  
Email Id : Folio No./Client Id No. : DP ID No.

I/We, members of Prithvi Exchange India Limited holding equity shares of Re. 10/- each hereby appoint:

1. Name: Of Email Id. – or failing him  
2. Name: Of Email Id. – or failing him  
3. Name: Of Email Id. – or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company to be held on 17<sup>th</sup> September 2018 at 11.30AM and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	For	Against
Ordinary Business		
1. Consider and Adopt the Audited Financial Statements of the Company for the year ended March 31, 2018 together with the Reports of the Directors and Auditors thereon.		
2. Declaration of Dividend		
3. To Appoint Directors retire by rotation.		
4. Appointment of Statutory Auditors.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of Shareholder

Signature of Proxy holder(s)

Note: The Proxy form duly completed and signed, should be lodged with the company, at its registered office atleast 48 hours before the time of the meeting.



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