

**INDIA AVIATION TRAINING INSTITUTE
PRIVATE LIMITED**

FINANCIALS 2013-14

Certified True Copy

For India Aviation Training Institute Pvt. Ltd.



Authorised Signatories



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDIA AVIATION TRAINING INSTITUTE (P) LTD

Report on the Financial Statements

We have audited the accompanying financial statements of India Aviation Training Institute Private Limited, which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give true and fair view of the financial position, financial performance and cash flows of the company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



- (a) in the case of the Balance Sheet, the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of loss for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in paragraphs 4 & 5 as required by the Companies (Auditor's Report) Order, 2003 (the order), issued by the Central Government of India, in terms of sub-section (1A) of Section 227 of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the company.

2. As required by Section 227(3) of the Act, we report that:

- a) We have 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 such books;
- c) The Balance Sheet and Statement of Profit and Loss dealt with by this report are in agreement with the Books of account;
- d) In our opinion, the Balance Sheet and the statement of Profit and Loss comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013, to the extent applicable;
- e) On the basis of the written representations received from the Directors as on 31st March, 2014 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2014 from being appointed as Director in terms of Clause(g) of sub-section(1) of Section 274 of the Companies Act, 1956; and
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For T.VELUPILLAI & CO
Chartered Accountants
FRN: (004592S)


K.V Jose
Partner



Bangalore

Date: 28-08-2014

Membership No: (208207)

INDIA AVIATION TRAINING INSTITUTE PVT LTD

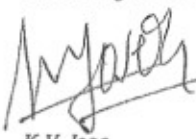
CIN - U74999KA2007PTC043635

In ₹

Balance Sheet	Note	As at 31st March 2014	As at 31st March 2013
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	3	1,00,000	1,00,000
Reserves and surplus	4	(2,40,445)	(2,28,700)
		<u>(1,40,445)</u>	<u>(1,28,700)</u>
Share application money pending allotment			
NON-CURRENT LIABILITIES			
Other long term liabilities	5	28,07,647	28,07,138
		<u>28,07,647</u>	<u>28,07,138</u>
CURRENT LIABILITIES			
Trade payables	6	44,635	33,399
		<u>44,635</u>	<u>33,399</u>
TOTAL		<u><u>27,11,837</u></u>	<u><u>27,11,837</u></u>
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Capital work-in progress	2.6	27,11,837	27,11,837
		<u>27,11,837</u>	<u>27,11,837</u>
CURRENT ASSETS			
		-	-
		-	-
TOTAL		<u><u>27,11,837</u></u>	<u><u>27,11,837</u></u>
COMMITMENTS OR CONTINGENCIES			
	7	-	-
		<u>-</u>	<u>-</u>
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNT			
	1 & 2		

The notes referred to above form an integral part of the financial statements.
This is the Balance Sheet referred to in our report of even date.

As per our report attached
for T. Velupillai & Co.
Chartered Accountants
Firm's Registration Number : (004592S)



K.V Jose
Partner

Membership Number: (208207)




N.K. Vijaya Raghavan.
Director


R. Karthikeyan
Director

Bangalore

Date: 28-08-2014

For India Aviation Training Institute Pvt. Ltd.


Authorised Signatories

Certified True Copy

INDIA AVIATION TRAINING INSTITUTE PVT LTD

CIN - U74999KA2007PTC043635

In ₹

Statement of Profit and Loss	Note	As at 31st March 2014	As at 31st March 2013
REVENUE			
Other income	8	-	2,219
I.TOTAL REVENUE		<u>-</u>	<u>2,219</u>
EXPENSES			
Other expenses	9	11,745	12,766
II.TOTAL EXPENSES		<u>11,745</u>	<u>12,766</u>
III.PROFIT BEFORE EXCEPTIONAL & EXTRAORDINARY ITEMS & TAX(I-II)		<u>(11,745)</u>	<u>(10,547)</u>
IV.Exceptional Items		-	-
V.PROFIT BEFORE EXTRAORDINARY ITEMS & TAX(III-IV)		<u>(11,745)</u>	<u>(10,547)</u>
VI.Extra ordinary Items		-	-
VII.PROFIT BEFORE TAX(V-VI)		<u>(11,745)</u>	<u>(10,547)</u>
VIII.Tax expense		-	-
(a)Current tax		-	-
(b)Deferred tax		-	-
IX.PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS(VII-VIII)		<u>(11,745)</u>	<u>(10,547)</u>
X.PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS		-	-
XI.Tax expense of discontinuing operations		-	-
XII.PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS(After Tax)(X-XI)		<u>-</u>	<u>-</u>
XIII.PROFIT/(LOSS) FOR THE PERIOD(IX+XII)		<u>(11,745)</u>	<u>(10,547)</u>
X.Earnings per equity share:	10	(1.17)	(1.05)
(1) Basic & Diluted (Par value Rs.10)			

The notes referred to above form an integral part of the financial statements.
This is the Statement of Profit & Loss referred to in our report of even date.

Chartered Accountants

Firm's Registration Number: (004392S)


K. V. Vase
Partner

Membership Number: (208207)

Bangalore

Date: 28-08-2014





N.K. Vijayaraghavan
Director


R. Karthikeya
Director

Certified True Copy

For India Aviation Training Institute Pvt. Ltd:


Authorised Signatories

NOTES ATTACHED TO AND FORMING PART OF ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2014

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements:

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") and comply with the mandatory Accounting Standards ("AS") prescribed by Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956 (the Act), read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year unless otherwise stated.

1.2 Use of estimates:

The preparation of financial statements is in conformity with generally accepted accounting principles, which requires the management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Significant estimates used by management in the preparation of these financial statements include the estimates of the economic useful lives of the fixed assets, provisions for bad and doubtful trade receivables, employee benefits, and estimation of revenue and project completion. Any revision to accounting estimates are recognized prospectively.

1.3 Foreign Currency Transactions:

Transactions in foreign currencies are recognized at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities in foreign currency on the balance sheet date are converted at the exchange rates prevailing on that date and gains/losses are adjusted in the profit and loss account.

1.4 Revenue Recognition:

Income is recognized as per accrual basis of accounting.

1.5 Investments:

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the long-term investments



A handwritten signature in black ink, appearing to be a stylized 'A' or similar character.

2 NOTES ON ACCOUNTS

2.1 Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.2 Deferred Tax:

Owing to uncertainty of profit in the near future, the company has not recognized deferred tax

2.3 Leases:

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

2.4 Related Party Disclosure:

2.4.1 Related Party Transactions- Other long term liabilities

In ₹

S.No	Name of the Party	Nature of Relation	Balance as at 31/03/2013	Transactions during the year		Balance as at 31/03/2014
				Debit	Credit	
1.	Indian Aero Ventures Private Limited	Holding Company	27,81,812	Nil	Nil	27,81,812
2.	Jupiter Aviation Services Private limited	Fellow subsidiary	23,796	Nil	Nil	23,796
3.	AXISCADES Aerospace & Technologies Ltd. (Formerly known as Axis Aerospace & Technologies Ltd)	Fellow subsidiary	1,530	Nil	509	2,039
	TOTAL		28,07,138	Nil	509	28,07,647

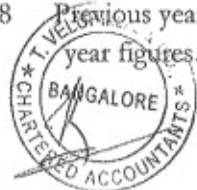
2.5 There are no micros, small and medium enterprises to whom the company owes any sum which are outstanding for more than 45 days as at the balance sheet date. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 has been determined to the extent such parties have been identified on the basis of information available to the company and the auditors have relied upon the same.

2.6 Capital work in progress represents amount spent towards the following:

Gondia Project: Rs. 27,11,837/-

2.7 Figures are rounded off to the nearest rupee wherever necessary

2.8 Previous year figures have been reclassified/regrouped wherever necessary to confirm with current



INDIA AVIATION TRAINING INSTITUTE PVT LTD

Notes to the financial statements for the year ended 31.3.2014 (Cont'd)

In ₹

3 SHARE CAPITAL

3.1 Equity share capital

3.1.1 Authorized

	As at 31st March 2014	As at 31st March 2013
10,00,000 Equity shares of Rs.10/- each (Previous Year 10,00,000 Equity shares of Rs 10/- each)	1,00,00,000	1,00,00,000
	1,00,00,000	1,00,00,000

3.1.2 Issued, Subscribed

10,000 equity shares of Rs.10/- each (Previous year 10,000 equity shares of Rs.10/- each)	1,00,000	1,00,000
	1,00,000	1,00,000

3.1.3 Paid up

10,000 equity shares of Rs.10/- each (Previous year 10,000 equity shares of Rs.10/- each)	1,00,000	1,00,000
--	----------	----------

Total equity share capital	1,00,000	1,00,000
-----------------------------------	-----------------	-----------------

3.2 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at 31st March 2014		As at 31st March 2013	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	10,000	1,00,000	10,000	1,00,000
Issued during the period				
Outstanding at the end of the period	10,000	1,00,000	10,000	1,00,000

3.3 Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Particulars	As at 31st March 2014	As at 31st March 2013
	Indian Aero Ventures Private Ltd.	9,900
	9,900	9,900

3.4 Details of shareholders holding more than 5% shares in the company

Particulars	As at 31st March 2014		As at 31st March 2013	
	No. of Shares	Percentage Holding	No. of Shares	Percentage Holding
Indian Aero Ventures Private Ltd.	9,900	99%	9,900	99%
	9,900	99%	9,900	99%



INDIA AVIATION TRAINING INSTITUTE PVT LTD

Notes to the financial statements for the year ended 31.3.2014 (Cont'd)

	<i>In ₹</i>	
	As at 31st March 2014	As at 31st March 2013
4 RESERVES AND SURPLUS		
4.1 Reserves		
4.1.1 Share Premium Account	-	-
4.2 Surplus		
Balance as per the last financial statements	(2,28,700)	(2,18,153)
Add:-		
Profit/(Loss) for the year	(11,745)	(10,547)
Less:-		
Closing Surplus i.e., Balance in Statement of Profit and Loss	(2,40,445)	(2,28,700)
Total reserves and surplus	(2,40,445)	(2,28,700)
5 OTHER LONG TERM LIABILITIES	As at 31st March 2014	As at 31st March 2013
5.1 Trade payables(refer note 2.4.1)	28,07,647	28,07,138
Total other long term liabilities	28,07,647	28,07,138
6 TRADE PAYABLES	As at 31st March 2014	As at 31st March 2013
6.1 Audit fee payable	44,635	33,399
Total trade payables	44,635	33,399
7 COMMITMENTS OR CONTINGENCIES	As at 31st March 2014	As at 31st March 2013
Commitments or Contingencies	-	-
Total Commitments or Contingencies	-	-



[Handwritten signature]

INDIA AVIATION TRAINING INSTITUTE PVT LTD

Notes to the financial statements for the year ended 31.3.2014 (Cont'd)

	<i>In ₹</i>	
	As at 31st March 2014	As at 31st March 2013
8 OTHER INCOME		
8.1 Miscellaneous income		
Excess provision created written back	-	2,219
Total other income	-	2,219
9 OTHER EXPENSES		
9.1 Rates & taxes	509	1,530
Payment to Auditors	509	1,530
As auditor:		
9.2 Statutory Audit Fees(refer note 9.2.1)	11,236	11,236
Total other expenses	11,745	12,766
9.2.1 Notes		
Statutory audit fees	10,000	10,000
Service tax	1,236	1,236
	11,236	11,236
10 EARNINGS PER SHARE (EPS)		
	As at 31st March 2014	As at 31st March 2013
10.1 Profit after tax attributable to equity shares (in Rs.)	(11,745)	(10,547)
10.2 Weighted average number of shares outstanding	10,000	10,000
10.3 Nominal value of shares (in Rs.)	10	10
10.4 Basic and diluted earning per share (in Rs.)	(1.17)	(1.05)

The notes referred to above form an integral part of the financial statements.

As per our report attached

for T. Velupillai & Co.

Chartered Accountants

Firm's Registration Number: (004592S)

K.V. Jose

Partner

Membership Number: (208207)



N.K. Vijayaraghavan
Director

R. Karthikeyan
Director

Bangalore

Date: 28-08-2014