



INDEPENDENT AUDITOR'S REPORT

To

The Members of AERO ELECTRONICS PRIVATE LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone 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 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone 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 financial statements are free from material misstatement.



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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

1. The provisions of sub section (11) of section 143 of the Act regarding the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India are not applicable to the Company
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.



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e) on the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For SHARMA GOEL & CO. LLP.,
Chartered Accountants
(FRNo. 000643N/N500012)



SANJEEV MITLA
Partner
(Membership No. 086441)

New Delhi, May 25, 2018



Annexure - A -to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **AERO ELECTRONICS PRIVATE LIMITED** ("the Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting. The Company has not obtained any business operations, and hence, no major exercise was required in connection with the internal controls study.



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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 authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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





Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 SHARMA GOEL & CO LLP,
Chartered Accountants
FRN: 000643N/N500012

Sanjeev Mittal,
Partner
Membership No.:086441

New Delhi, May 25, 2018

As at	Note	31 March 2018	31 March 2017	01 April 2016
I. ASSETS				
(1) Non-current assets				
(a) Tangible Assets	4	39,222,410	38,672,410	38,672,410
(b) Capital work-in-progress	4	-	425,000	425,000
Total non-current assets		39,222,410	39,097,410	39,097,410
(2) Current assets				
(a) Financial assets				
(i) Cash and cash equivalents	5	39,191	24,740	36,852
Total current assets		39,191	24,740	36,852
Total assets		39,261,601	39,122,150	39,134,262
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	6	100,000	100,000	100,000
(b) Other equity	7	(1,222,645)	(1,118,339)	(994,166)
Equity attributable to equity holders of the parent		(1,122,645)	(1,018,339)	(894,166)
Non-controlling interests		-	-	-
Total equity		(1,122,645)	(1,018,339)	(894,166)
Liabilities				
(1) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	8	40,360,795	40,117,829	40,007,382
(ii) Trade payables	9	2,700	-	-
(b) Other current liabilities	10	8,951	11,160	9,546
(c) Provisions	11	11,800	11,500	11,500
Total Current liabilities		40,384,246	40,140,489	40,028,428
Total liabilities		40,384,246	40,140,489	40,028,428
Total equity and liabilities		39,261,601	39,122,150	39,134,262
Significant accounting policies	3			

See accompanying notes to consolidated financial statements

As per our even date attached

For SHARMA GOEL & CO. LLP.,
Chartered Accountants

Firm Registration No. 000643N

020643N/
N500012
New Delhi

Sanjeev Mittal
Partner

Membership Number: 086441

for and on behalf of the Board of Directors of
For AERO ELECTRONICS PVT. LTD.

Anees Ahmed
Director

DIN: 00225648

Rajeev Ramachandra
Director

DIN: 00178796

Place: Bengaluru
Date: 25 May 2018

Place: Bengaluru
Date: 25 May 2018

Aero Electronics Private Limited
Statement of Profit and Loss for the period ended 31 March 2018

For the period ended	Note	31 March 2018	31 March 2017
I. Revenue			
Revenue from operations		-	-
II. Other income		-	-
III. Total Income (I+II)		-	-
IV. Expenses			
Cost of materials consumed		-	-
Excise duty		-	-
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress		-	-
Employee benefits expense		-	-
Finance costs	12	89,507	111,600
Depreciation and amortisation expense	4	-	-
Other expenses	13	14,799	12,573
Total Expenses		104,306	124,173
V. Profit (III-IV)		(104,306)	-124,173
VI. Tax expense			
(i) Current tax		-	-
(ii) Deferred Tax		-	-
VII. Profit for the period (V-VI)		(104,306)	(124,173)
VIII. Other comprehensive income			
<i>Items that will not to be reclassified subsequently to statement of profit or</i>			
Remeasurements of the net defined benefit liability / asset			
Income tax relating to items not to be reclassified subsequently to statement of profit or loss			
<i>Items that will be reclassified subsequently to profit or loss:</i>			
Foreign currency translation reserve		-	-
Other comprehensive income, net of tax		-	-
XI. Total comprehensive income for the year (VII+VIII)		(104,306)	(124,173)
Profit attributable to:			
Owners of the company		(104,306)	-
Non-controlling interest		-	-124,173
Profit for the period		(104,306)	(124,173)
Other comprehensive income attributable to:			
Owners of the Company		-	-
Non controlling interests, if any		-	-
Other comprehensive income for the year		-	-
Total comprehensive income attributable to:			
Owners of the company		(104,306)	(124,173)
Non controlling interests		-	-
Total comprehensive income for the year		(104,306)	(124,173)
Earnings per share (nominal value of Rs 5 each)			
Attributable to equity holders of the Company			
Basic [in Rs]			
Diluted [in Rs]			
Weighted average number of equity shares used in computing earning per share			
-Basic			
-Diluted			

Significant accounting policies

3

See accompanying notes to consolidated financial statements
As per our report of even date attached

For SHARMA GOEL & CO. LLP.,
Chartered Accountants
Firm Registration No. 000643N

Sanjeev Mitla
Partner
Membership Number: 086441



for and on behalf of the Board of Directors of
For AERO ELECTRONICS PVT. LTD.

Anees Ahmed
Director
DIN: 00225648

Rajeev Ramachandra
Director
DIN: 00178796

Place: Bengaluru
Date: 25 May 2018

Place: Bengaluru
Date: 25 May 2018

Aero Electronics Private Limited
Statement of changes in equity

Particulars	Equity share capital	Retained earnings	Total equity attributable to equity holders of the Company
Balance as at 1 April 2016	100,000	(994,166)	(894,166)
Profit for the year	-	(124,173)	(124,173)
Balance as at 31 March 2017	100,000	(1,118,339)	(1,018,339)
Profit for the year	-	(104,306)	(104,306)
Balance as at 31 March 2018	100,000	(1,222,645)	(1,122,645)

See accompanying notes to standalone financial statements

As per our report of even date attached

For SHARMA GOEL & CO. LLP.,
Chartered Accountants
Firm Registration No. 000643N

Sanjeev Mishra
Partner
Membership Number: 086441



for and on behalf of the Board of Directors of
For AERO ELECTRONICS PVT. LTD.

Anees Ahmed
Director
DIN: 00225648

Rajeev Ramachandra
Director
DIN: 00178796

Place : Bengaluru
Date: 25 May 2018

Place : Bengaluru
Date: 25 May 2018

1 Reporting Entity

Aero Electronics Private Limited (the 'Company') is a company domiciled in India, with its registered office situated at Bangalore. The Company was incorporated on 8th December 2010 under the provisions of the Indian Companies Act.

2 Basis of preparation

A. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements up to and for the year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standard) Rules, 2006, notified under section 133 of the Act and other relevant provisions of the Act

Details of the Group's accounting policies are included in Note 3

B. Functional and presentation currency

The financial statements are presented in Indian Rupees, which is also the Company's functional currency.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair Value

D. Use of estimates and judgements

In preparing the financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in these consolidated financial statements is included in the following notes:

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2018 is included in the following notes:

- Note 4 - useful life of property, plant and equipment;

E. Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

3 Significant accounting policies

(a) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment, are measured at cost (which includes capitalised borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, duties, taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Transition to Ind AS

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 such property, plant and equipment.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.



(b) Financial instruments

i Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii Classification and subsequent measurement

Financial Assets

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

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

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby the transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the Statement of Profit and Loss.

iv Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

(c) Income Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

(d) Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of those property, plant and equipment, which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the Statement of Profit and Loss.

(e) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(f) Earnings per share

Basic Earnings Per Share ("EPS") is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(g) Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.



Aero Electronics Private Limited
Notes on standalone financial statements

Note 4. Property Plant and Equipment

Descriptions	Gross block			Accumulated depreciation			Net block As at 31 Mar 2018
	As at 1 April 2017	Additions	Disposal	As at 31 Mar 2018	Depreciation for the year	Disposal	
Leased assets	38,672,410	-	-	38,672,410	-	-	38,672,410
Leasehold land	-	550,000	-	550,000	-	-	550,000
Leasehold Improvement	-	-	-	-	-	-	-
	38,672,410	550,000	-	39,222,410	-	-	39,222,410

Descriptions	Gross block			Accumulated depreciation			Net block As at 31 Mar 2017
	As at 1 April 2016	Additions	Disposal	As at 31 Mar 2017	Depreciation for the year	Disposal	
Leased assets	38,672,410	-	-	38,672,410	-	-	38,672,410
Leasehold land	-	-	-	-	-	-	-
	38,672,410	-	-	38,672,410	-	-	38,672,410



As at 31 March 2018 31 March 2017 01 April 2016

Note 5 - Cash and bank balances

Cash and cash equivalents

- Current accounts	39,191	24,740	36,852
	<u>39,191</u>	<u>24,740</u>	<u>36,852</u>

As at 31 March 2018 31 March 2017 01 April 2016

Note 6 - Share capital

Authorised

Equity shares	100,000	100,000	100,000
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[20,000 equity shares of Rs 5/- each (31 March 2017: 20,000 equity shares of Rs 5/- each), (01 April 2016: 20,000 equity shares of Rs 5/- each)]

Issued, subscribed and paid up

Equity shares fully paid up	100,000	100,000	100,000
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[20,000 equity shares of Rs 5/- each (31 March 2017: 20,000 equity shares of Rs 5/- each), (01 April 2016: 20,000 equity shares of Rs 5/- each)]*

	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
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Note 7 - Other equity

	Capital redemption reserve	Securities premium	Share options outstanding account	Foreign currency translation reserve	General reserve	Retained earnings	Total
Balance as at 01 April 2016	-	-	-	-	-	(994,166)	(994,166)
Additions							-
Net profit after tax transferred from the statement of profit or loss	-	-	-	-	-	(124,173)	(124,173)
Balance as at 31 March 2017	-	-	-	-	-	(1,118,339)	(1,118,339)
Balance as at 01 April 2017	-	-	-	-	-	(1,118,339)	(1,118,339)
Additions							
Net profit after tax transferred from the statement of profit or loss	-	-	-	-	-	(104,306)	(104,306)
Balance as at 31 March 2018	-	-	-	-	-	(1,222,645)	(1,222,645)

As at 31 March 2018 31 March 2017 01 April 2016

Note 8 - Borrowings

Mistral Solutions Pvt Ltd - Tax Co.	40,360,795	40,117,829	40,007,382
	<u>40,360,795</u>	<u>40,117,829</u>	<u>40,007,382</u>

Note 9 - Trade payables

Total outstanding dues of micro and small enterprises			
Total outstanding dues of other than micro and small enterprises	2,700	-	-
	<u>2,700</u>	<u>-</u>	<u>-</u>

Note 10 - Other current liabilities

Duties and taxes payable	8,951	11,160	9,546
	<u>8,951</u>	<u>11,160</u>	<u>9,546</u>

Note 11 - Provisions

Accrued expenses	11,800	11,500	11,500
	<u>11,800</u>	<u>11,500</u>	<u>11,500</u>

For the period ended 31 March 2018 31 Mar 2017

Note 12 - Finance costs

Interest expense		89,507	111,600
		<u>89,507</u>	<u>111,600</u>

Note 13 - Other expenses

Rates and taxes		2,700	1,011
Bank Charges		-	12
Audit Fees		12,099	11,550
		<u>14,799</u>	<u>12,573</u>

Note 14 - Long term borrowing cost

Long Term borrowings include an amount of Rs. 40,360,795/- (Previous year Rs. 40,117,829/-) advanced by M/s. Mistral Solutions Private Limited, the holding company. Mistral Solutions Private Limited, the holding company. This amount is to be secured by the land to be purchased by utilizing this advance. Presently the amount is unsecured. This amount is repayable within 2 working days from the date of demand by the holding company. During the year, the company has borrowed additional loan of Rs. 1,50,000/- (Previous year Rs. Nil/-) from its parent company M/s. Mistral Solutions Private Limited with an interest at the rate of 9.00% per annum.



Note 15 - Financial instruments - fair values and risk management

Amount in Rupees

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2018, including their levels in the fair value hierarchy.

Particulars	Note	Carrying amount				Fair value				
		FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value										
Cash and cash equivalents	13	-	-	39,191	-	39,191				
		-	-	39,191	-	39,191				
Financial liabilities not measured at fair value										
Borrowings		-	-	-	40,360,795	40,360,795				
Trade payables	19	-	-	-	2,700	2,700				
Provision for Expenses	20	-	-	-	11,800	11,800				
Other financial liabilities	20	-	-	-	8,951	8,951				
		-	-	-	40,384,246	40,384,246				

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2017, including their levels in the fair value hierarchy.

Particulars	Note	Carrying amount				Fair value				
		FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value										
Cash and cash equivalents		-	-	24,740.00	-	24,740.00				
		-	-	24,740.00	-	24,740.00				
Financial liabilities not measured at fair value										
Borrowings		-	-	-	40,117,829.00	40,117,829.00				
Trade payables		-	-	-	-	-				
Provision for Expenses		-	-	-	11,500.00	11,500.00				
Other financial liabilities		-	-	-	11,160.00	11,160.00				
		-	-	-	40,140,489.00	40,140,489.00				

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 1 April 2016, including their levels in the fair value hierarchy.

Particulars	Note	Carrying amount				Fair value				
		FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value										
Cash and cash equivalents		-	-	36,852.00	-	36,852.00				
		-	-	36,852.00	-	36,852.00				
Financial liabilities not measured at fair value										
Borrowings		-	-	-	40,007,382.00	40,007,382.00				
Trade payables		-	-	-	-	-				
Provision for Expenses		-	-	-	11,500.00	11,500.00				
Other financial liabilities		-	-	-	9,546.00	9,546.00				
		-	-	-	40,028,428.00	40,028,428.00				

