TECHNOSOFT ENGINEERING PROJECTS LIMITED
ANNUAL REPORT 2016-2017

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
TECHNOSOFT ENGINEERING PROJECTS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone IND AS financial statements of **TECHNOSOFT ENGINEERING PROJECTS LIMITED**, ("the company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 change in Equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND-AS) specified under section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone IND AS financial statement 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.

We conducted our audit 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 Standalone IND AS financial statements, whether due to fraud or error. In making, those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone IND AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone IND AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone IND AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IND AS, of the financial position of the Company as at 31st March, 2017, and its **Profits** (financial performance Including Other Comprehensive Income), its cash flows and changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2017 (the order); issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure - A,** a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

As required by section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

(c) The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant Rule issued thereunder.

(e) On the basis of the Written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 - B.**

(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:

   a. The company has disclosed the impact of pending litigations on its financial position in its financial statement – Refer Note no. 25 to the financial statement.

   b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   d. The Company has provided requisite disclosures in the standalone IND AS financial Statements as to holding as well as dealing in Specified Bank Notes during the period from 08th November, 2016 to 30th December, 2016. Based on the audit procedures and relying on the management representation we report that the disclosures are in accordance with the Books of accounts maintained by the Company and as produced to us by the Management – Refer Note 24 to the financial statement.

For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Sd/-
(C. H. BANDI) PARTNER
Membership No.5385

Place of Signature: Mumbai
Date: 29th May, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TECHNOSOFT ENGINEERING PROJECTS LIMITED on the Standalone Financial Statements for the year ended 31st March, 2017, We report that:

1a According to information and explanations given to us, The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

1b As explained to us, the fixed assets of the company have been physically verified by the Management in a phased manner as per regular program of verification, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. Pursuant to this program, some of the fixed assets have been physically verified by the management during the year, and no material discrepancies have been noticed on such verification.

1c The title deeds of the property as disclosed in Property, Plant and Equipment and Investment Property vide Note No. 3 & 4 respectively to the financial statements are held in the name of the company.

2. The Company is a Service Company, primarily rendering Information Technology Services. Accordingly, it does not hold any Physical Inventories. Thus, provision of paragraph 3 (ii) of the Order is not applicable to the Company.

3 The Company has not granted any loans, secured or unsecured to the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and accordingly provision of clause 3 (iii), (iii)(a), (iii)(b) & (iii)(c) of the order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, loans, guarantees and security provided in respect of loans & other facilities to parties covered under section 185 of the Act and Investments made.

5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under apply.

6. The Central Government of India has not prescribed the Maintenance of cost records under section 148 (1) of the Companies Act, 2013 for any of the Services rendered by the Company and accordingly Maintenance of cost records under section 148 (1) of the Companies Act, 2013 is not applicable to the company.

7 a According to the information and explanation given to us and the records of the Company examined by us, the Company is generally regular in depositing provident fund dues, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31st March, 2017 for a period exceeding six months from the date they became payable;

7 b According to the information and explanation given to us and the records of the Company examined by us, the Particulars of disputed statutory dues under various act as at 31st March, 2017 which have not been deposited with the appropriate authorities are as under: -

Name of the Statute	**Nature of dues**	**Amount (Rs. in Lakhs)**	**Forum where dispute is pending**
Central Sales Tax, 1956	Sales Tax (CST) for the FY 2007-08	1.57	Appeal filed with Deputy Commissioner of Sales Tax (Appeals) II, Mumbai
Income Tax, 1961	Income Tax Demand for AY 2012-13	8.17	CIT Appeal, Mumbai, 18

8. According to information and explanations given to us the company has not defaulted in repayment of loans or borrowings to a financial institution or bank and company does not have any outstanding loans or borrowing from Government or dues to debenture holders during the year.

9. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and the Company has not availed any term loans during the current year and accordingly the provision of clause 3 (ix) of the order is not applicable to the Company.

10. According to the information and explanations given to us by the management, which has been relied upon by us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

11. In our opinion, and according to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the companies Act, 2013.

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company.

13. In our opinion, and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the companies Act, 2013 where applicable. The details of related party transactions have been disclosed in the financial statements as required under Ind AS “24”, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.

14. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the and accordingly the provisions of clause 3 (xiv) of the order is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any Non-Cash transaction with directors or persons connected with the directors. Accordingly, the provisions of clause 3 (xv) of the order is not applicable to the Company.

16. In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3 (xvi) of the order is not applicable to the Company.

For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Sd/-
(C. H. BANDI) PARTNER
Membership No.5385

Place of Signature: Mumbai
Date: 29th May, 2017

ANNEXURE – "B" TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TECHNOSOFT ENGINEERING PROJECTS LIMITED for the year ended 31st March, 2017. We report that:

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 **TECHNOSOFT ENGINEERING PROJECTS LIMITED**, ("the Company") as of March 31, 2017 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, 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 applicable to an audit of Internal Financial Controls and, 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 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.

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 March 31, 2017, 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 M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Sd/-
(C. H. BANDI) PARTNER
Membership No.5385

Place of Signature: Mumbai
Date: 29th May, 2017

BALANCE SHEET AS AT MARCH 31, 2017

(₹ in lakhs)

Particulars	Note No.	As at March 31,2017	As at March 31,2016	As at April 1,2015
ASSETS				
Non - Current Assets				
Property, Plant and Equipment	3	841.22	682.38	710.35
Capital work-in-progress	3	-	0.34	-
Investment Property	4	431.03	452.99	476.07
Intangible assets	5	91.29	71.03	58.68
Financial Assets				
Investments	6(a)	2,172.06	1,742.49	1,598.72
Others Financial Assets	6(b)	248.51	136.00	11.00
Deferred tax asset	7	42.20	38.03	2.44
Other non - current assets	8	3.23	0.45	0.01
Total Non - Current Assets		3,829.54	3,123.71	2,857.27
Current Assets				
Financial Assets				
Investments	6(a)	483.37	51.40	-
Trade receivables	6(c)	332.63	390.05	229.90
Cash and cash equivalents	6(d)	6.98	7.23	0.49
Other Bank Balances	6(e)	125.14	10.10	135.10
Loans	6(f)	1.45	2.16	1.17
Others Financial Assets	6(b)	68.80	27.46	31.81
Other current assets	9	71.95	39.88	25.28
Total Current Assets		1,090.32	528.28	423.75
Total Assets		4,919.86	3,651.99	3,281.02
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	10(a)	59.51	55.34	55.34
Other Equity	10(b)	3,919.65	2,997.27	2,625.00
Total Equity		3,979.16	3,052.61	2,680.34
LIABILITIES				
Non - Current Liabilities				
Financial Liabilities				
Other financial liabilities	11(c)	143.98	94.64	49.93
Provisions	12	93.56	71.29	63.16
Other non - current liabilities	13	7.37	6.48	0.29
Total Non - Current Liabilities		244.91	172.41	113.38

BALANCE SHEET AS AT MARCH 31, 2017

(₹ in lakhs)

Particulars	Note No.	As at March 31,2017	As at March 31,2016	As at April 1,2015
Current liabilities				
Financial Liabilities				
Borrowings	11(a)	262.29	194.95	316.18
Trade payables	11(b)	32.26	10.70	6.63
Other financial liabilities	11(c)	367.46	187.79	115.22
Provisions	12	2.28	2.40	4.94
Current Tax Liabilities (Net)	14	22.45	26.74	40.54
Other current liabilities	15	9.05	4.39	3.78
Total Current Liabilities		695.79	426.97	487.30
Total Equity and Liabilities		4,919.86	3,651.99	3,281.02

Significant Accounting Policies 1 & 2

The accompanying notes form an integral part of the financial statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

Sd/-
C.H.BANDI
PARTNER
M.NO :5385

Sd/-
NAVNEET SARAF
DIRECTOR
DIN-00035686

Sd/-
S.K. SARAF
DIRECTOR
DIN-00035843

PLACE: MUMBAI
DATE : May 29, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in lakhs)

Particulars	Note No.	Year Ended March 31,2017	Year Ended March 31,2016
Income			
Revenue From Operations	16	3,226.72	2,579.85
Other Income	17	460.11	235.91
Total Income		3,686.83	2,815.76
Expenditures			
Employee benefits expense	18	2,151.67	1,756.80
Finance costs	19	29.07	21.09
Depreciation and amortisation expense	20	223.59	177.92
Other expenses	21	490.26	368.41
Total expenses		2,894.59	2,324.22
Profit/(loss) before tax		792.24	491.54
Tax expense:			
(1) Current tax		205.73	163.25
(2) Deferred tax		0.82	(38.50)
Total tax expenses		206.55	124.75
Profit/(loss) for the year (A)		585.69	366.79
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability/asset(net of tax)		(9.44)	5.48
Other Comprehensive Income/(Expenses) for the Year(net of tax) (B)		(9.44)	5.48
Total Comprehensive Income for the year (A+B)		576.25	372.27
Earnings per equity share:	23		
Equity shares of Par value of ₹ 10 each			
Basic		105.15	66.28
Diluted		105.15	66.28

Significant Accounting Policies 1 & 2

The accompanying notes form an integral part of the financial statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
C.H.BANDI	NAVNEET SARAF	S.K. SARAF
PARTNER	DIRECTOR	DIRECTOR
M.NO :5385	DIN-00035686	DIN-00035843

PLACE: MUMBAI
DATE : May 29, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(₹ in lakhs)

		Year ended 31-Mar-2017	Year ended 31-Mar-2016
A.	CASH FLOW ARISING FROM OPERATING ACTIVITIES :		
	Profit before exceptional items & tax	792.24	491.54
	Add / (Less) : Adjustments to reconcile profit before tax to net cash used in operating activities		
	Depreciation and impairment of property, plant and equipment	116.22	104.65
	Amortisation and impairment of intangible assets	85.41	50.19
	Depreciation on investment properties	21.96	23.08
	Foreign exchange differences(Net)	0.46	(17.46)
	Finance income (including fair value change in financial instruments)	(26.84)	(12.64)
	Finance costs (including fair value change in financial instruments)	26.87	19.86
	Rent Income	(305.97)	(200.06)
	Remeasurement of net defined benefit plans	(14.43)	8.38
	Net gain on sale/fair valuation of Investments through profit & loss	(65.40)	4.83
	Operating Profit before Working capital Changes	630.52	472.37
	Working capital adjustments		
	(Increase)/ Decrease in trade receivables	57.42	(160.15)
	(Increase)/ Decrease in other receivables	(113.76)	(11.34)
	Increase/ (Decrease) in trade and other payables	205.94	133.54
		780.12	434.43
	Income Tax paid	(134.54)	(177.05)
	Foreign exchange differences(Net)	(0.46)	17.46
	Net Cash Inflow/(Outflow) in the course of Operating Activities (A)	645.12	274.84
B.	CASH FLOW ARISING FROM INVESTING ACTIVITIES :		
	Payment for purchase and construction of property, plant and equipment	(380.40)	(139.54)
	Purchase of financial instruments	(600.19)	(200.00)
	Proceeds from sale of financial instruments	150.19	-
	Refund/ (Investment) in bank deposits for more than 3 months	(190.04)	-
	Interest received	23.77	12.16
	Rent Received	299.37	195.69
	Net Cash Inflow/(Outflow) in the course of Investing Activities (B)	(697.30)	(131.69)
C.	CASH FLOW ARISING FROM FINANCING ACTIVITIES :		
	Net Proceeds from loans and borrowings	67.34	(121.23)
	Proceeds from issue of Equity shares	4.17	-
	Finance charges paid	(19.57)	(15.17)
	Net Cash Inflow/(Outflow) in the course of Financing Activities (C)	51.93	(136.39)
	Net increase / (decrease) in cash and cash equivalents	(0.25)	6.75
	Cash and cash equivalents at the beginning of the year	7.23	0.49
	Cash and cash equivalents at the end of the year	6.98	7.23

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

Notes-

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".

2 Components of Cash & Cash Equivalents

	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Balances with Banks - In current accounts	4.79	6.27
Cash on Hand	2.19	0.96
Cash and cash equivalents at the end of the year	6.98	7.23

As per our Report of Even Date

For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

Sd/-
C.H.BANDI
PARTNER
M.NO :5385

For & on Behalf of Board of Directors

Sd/-
NAVNEET SARAF
DIRECTOR
DIN-00035686

Sd/-
S.K. SARAF
DIRECTOR
DIN-00035843

PLACE: MUMBAI
DATE : May 29, 2017

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

(₹ in lakhs)

EQUITY SHARE CAPITAL :	Balance as at April 01, 2015	Changes in equity share capital during the year	Balance as at March 31, 2016	Balance as at April 01, 2016	Changes in equity share capital during the year	Balance as at March 31, 2017
Paid up Capital (Equity Shares of Rs 10/- each issued , Subscribed & Fully Paid up)	55.34	-	55.34	55.34	4.17	59.51

OTHER EQUITY :

Particulars	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 1,2015	112.99	2.50	1,475.00	1,034.51	-	2,625.00
Profit for the year	-	-	-	366.79	-	366.79
Other Comprehensive Income :						
Remeasurements of net defined benefit plans (Net of tax)	-	-	-	-	5.48	5.48
Balance as at March 31, 2016	112.99	2.50	1,475.00	1,401.30	5.48	2,997.27
Profit for the year	-	-	-	585.69	-	585.69
Premium on issue of ESOP granted to employee of subsidiary company	346.13	-	-	-	-	346.13
Other Comprehensive Income :						
Remeasurements of net defined benefit plans (Net of tax)	-	-	-	-	(9.44)	(9.44)
Balance as at March 31, 2017	459.12	2.50	1,475.00	1,986.99	(3.96)	3,919.65

The accompanying notes form an integral part of the financial statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

Sd/-
C.H.BANDI
PARTNER
M.NO :5385
PLACE: MUMBAI
DATE : May 29, 2017

Sd/-
NAVNEET SARAF
DIRECTOR
DIN-00035686

Sd/-
S.K. SARAF
DIRECTOR
DIN-00035843

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note-1 Company Overview

Technosoft Engineering Projects Limited ("the Company"), was incorporated on 28th February 2000, CIN U72200MH2000PLC124541. The company is a Public Limited company incorporated and domiciled in India and is having its registered office at A-25 Technocraft House MIDC Marol Industrial Area Road No. 3 Opp ESIS Hospital Andheri (E) Mumbai – 400093 Maharashtra India.
The company is a global provider of engineering design services to various engineering/manufacturing verticals and of EPCM services in the oil and gas industry.

Authorisation of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the directors on 29th May 2017.

Note-2 Significant accounting policies:

i) Basis of Preparation and Presentation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

These financial statements for the year ended 31st March, 2017 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2016, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The Financial Statements have been prepared under historical cost convention basis except for certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Use of Estimates and Judgments:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

iii) Fair Value Measurement:

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities

iv) Revenue Recognition

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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Incomes and Expenditures are recognized on accrual basis except in case of significant uncertainties like Claims Payable & receivable, which have been accounted on Acceptance basis.

Dividend Income on Investments is accounted for when the right to receive the payment is established.

Revenue from services is recognized in the accounting period in which the services are rendered.

v) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any.

vi) Capital Work in Progress

Cost of assets not ready for use at the balance sheet date is disclosed under capital work-in-progress. Expenditure during construction period is included under Capital Work in Progress & the same is allocated to the respective Property, Plant and Equipment on the completion of its construction.

vii) Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

viii) Depreciation

Depreciation on Property, Plant and Equipment has been provided on the Written down Value method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Leasehold Land is amortized over the period of lease.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

ix) Investment Property

Investment property applies to owner-occupied property and is held to earn rentals or for capital appreciation or both. Hence such properties are reclassified from Property, Plant and Equipment to Investment property. Investment properties are depreciated using the written down value method over their estimated useful life.

xiii) Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

a) Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Income Tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

Deferred tax assets and liabilities are offset only if:

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

xiv) Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Subsequent to initial recognition, minimum lease payments shall be apportioned between the finance charge and the reduction of the outstanding liability. The finance charge shall be allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents shall be charged as expenses in the periods in which they are incurred.

Leases in which significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee are classified as operating leases. Lease Income from operating leases where the Company is a Lessor is recognized in income on straight –line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

xv) Financial Assets

a) Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

➢ The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

➢ Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium 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 & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

(ii) Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

➢ The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets

➢ Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit & Loss. Other net gains and losses are recognised in other comprehensive Income.

(iii) Debt instruments at Fair value through profit or loss (FVTPL)

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

(iv) Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

c) De recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

➢ The rights to receive cash flows from the asset have expired, or

➢ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Company has transferred substantially all the risks and rewards of the asset, or

- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

d) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the Business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been as significant increase in credit risk.

e) Income Recognition

Interest Income from debt instruments is recognised using the effective interest rate method.

xvi) Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The measurement of Financial liabilities depends on their classification, as described below:

➢ Financial Liabilities at fair value through profit or loss (FVTPL)

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit & Loss.

➢ Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method ("EIR").

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 as finance costs in the Statement of Profit & Loss.

c) De recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit & Loss.

xvii) Offsetting of financial instruments

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

xviii) Employee Share Based Compensation

Stock Options are granted to eligible employees of the subsidiary companies in accordance with the Employee Stock Option Schemes , as may be decided by the Board . Under Ind AS, the cost of Stock Options is recognised based on the fair value of Stock Options as on the grant date. The fair value of Stock Options granted to employees of the wholly owned and other subsidiary companies and vesting after the transition date are recognised and considered as capital contribution /investment.

xix) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

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

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

xx) Cash & Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.
Cash and cash equivalents comprise cash at banks and on hand and demand deposits with banks with an original maturity of three months or less.

xxi) Investment in Subsidiaries– Unquoted

Investments in equity shares of Subsidiaries are recorded at cost and reviewed for impairment at each reporting date.

xxii) Employee Benefits

➢ Short-term employee benefit

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered.

➢ Post-employment benefits

The Company's net obligation in respect of defined benefit plans such as gratuity is calculated separately for each plan by estimating the amount of future benefit that the employees have earned in the current and prior periods and by discounting that amount.

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the projected unit credit method.

The current service cost of the defined benefit plan, recognized in the Statement of Profit & Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit & Loss. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit & Loss.

Re-measurements which comprise of actuarial gains and losses, are recognized immediately in other comprehensive income.

➢ Other long-term employee benefits

Liability towards other long term employee benefits - leave encashment is determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long terms employee benefits, recognized in the Statement of Profit & Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit & Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Statement of Profit & Loss. Re-measurements are recognized in the Statement of Profit & Loss.

xxiii) Foreign Currency Transactions:

a) Functional and Presentation Currency:

The Financial Statements are presented in Indian Rupee (₹) which is Company's Functional and Presentation Currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

b) Monetary Items

- Transactions denominated in foreign currency are normally accounted for at the exchange rate prevailing at the time of transaction.
- Monetary assets and Liabilities in foreign currency transactions remaining unsettled at the end of the year are translated at the year-end rates and the corresponding effect is given to the respective account.
- Exchange differences arising on account of fluctuations in the rate of exchange are recognized in the statement of Profit & Loss.
- Exchange rate difference arising on account of conversion/translation of liabilities incurred for acquisition of Fixed Assets is recognized in the Statement of Profit & Loss.

c) Non - Monetary Items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

xxiv) Impairment of Non-Financial Assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators

xxv) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

xxvi) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

xxvii) Earnings per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period.
The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares

xxviii) Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

xxix) Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or 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 financing activities are segregated.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 3 : Property, Plant and Equipment

(₹ in lakhs)

Particulars	Leasehold Land	Freehold Land & Buildings	Furniture, Fittings & Equipments	Plant and Machinery	Office Equipments	Computers	Motor Car & Vehicles	Total	Capital Work in Progress
Year Ended March 31, 2016									
Gross Carrying Amount									
Deemed Cost as at 1 April 2015	0.41	500.83	58.30	94.37	1.53	37.20	17.71	710.35	-
Additions	-		12.99	16.66	8.24	38.78	-	76.67	0.34
Closing Gross Carrying Amount	0.41	500.83	71.29	111.03	9.77	75.98	17.71	787.02	0.34
Accumulated Depreciation									
Depreciation charge during the year	0.01	24.27	17.86	31.80	1.53	23.19	5.98	104.64	-
Closing Accumulated Depreciation	0.01	24.27	17.86	31.80	1.53	23.19	5.98	104.64	-
Net Carrying Amount	0.40	476.56	53.43	79.23	8.24	52.79	11.73	682.38	0.34
Year Ended March 31, 2017									
Gross Carrying Amount									
Opening Gross Carrying Amount	0.41	500.83	71.29	111.03	9.77	75.98	17.71	787.02	0.34
Additions	-	-	69.97	89.77	7.74	98.02	9.56	275.06	-
Disposals/Transfers	-	-	-	-	-	-	-	-	0.34
Closing Gross Carrying Amount	0.41	500.83	141.26	200.80	17.51	174.00	27.27	1,062.08	-
Opening Accumulated Depreciation	0.01	24.27	17.86	31.80	1.53	23.19	5.98	104.64	-
Depreciation charge during the year	0.01	23.09	15.83	28.15	4.63	40.55	3.96	116.22	-
Closing Accumulated Depreciation	0.02	47.36	33.69	59.95	6.16	63.74	9.94	220.86	-
Net Carrying Amount	0.39	453.47	107.57	140.85	11.35	110.26	17.33	841.22	-

Note

i) Refer to Note No 26 for information on Property,Plant & Equipment Pledged as Security by the Company.

iii) For Property,Plant and Equipment existing as on the date of transition to IND -AS, the Company has used Indian GAAP Carrying Value as deemed cost

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 4 : Investment Property (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016
Gross Carrying Amount		
Deemed Cost	476.07	476.07
Closing Gross Carrying Amount	476.07	476.07
Accumulated Depreciation		
Opening Accumulated Depreciation	23.08	-
Depreciation Charge	21.96	23.08
Closing Accumulated Depreciation	45.04	23.08
Net Carrying Amount	431.03	452.99

For Investment property exisiting as on the date of transition to IND - AS, the Company has used Indian GAAP carrying value as deemed cost.

Refer to Note No 26 for information on Investment Property Pledged as Security by the Company.

i) Amount recognised in profit and loss for investment properties (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016
Rental Income	306.81	200.17
Direct Operating expenses from property that generated rental income	11.45	15.71
Profit from Investment Properties before Depreciation	318.26	215.88
Depreciation	21.96	23.08
Profit from Investment Properties	296.30	192.80

ii) Fair Value (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investment Properties	4,567.79	4,085.48	2,973.93

Estimation of Fair value :

The above valuation of the Investment Properties are in accordance with the Ready Reckoner rates as prescribed by the Government of Maharashtra for the Purpose of levying Stamp Duty.Since the Valuation is based on the Published Ready Reckoner rates , the Company has Classified the same under Level 2

iii) Leasing arrangements

The Company has entered in to various a non cancellable leasing agreements . There is an escalation clause in the lease agreement during the lease year in line with expected general inflation. There are no restrictions imposed by lease arrangements and there are no sub leases. There are no contingent rents. Disclosures as required under Ind-AS 17 on "Lease" are given below:

Future minimum Lease payments under non-cancellable operating lease:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Within one year	335.71	190.97	227.86
Later than one year but not later than 5 years	649.38	306.20	304.21
Later than 5 years	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 5 : Intangible assets (₹ in lakhs)

Particulars	Computer Software *	Total
Year Ended 31 March 2016		
Gross Carrying Amount		
Deemed Cost as at 1 April 2015	58.68	58.68
Additions	62.54	62.54
Closing Gross Carrying Amount	121.22	121.22
Accumulated Amortisation		
Opening Accumulated Amortisation	-	-
Amortisation charge for the year	50.19	50.19
Closing Accumulated Amortisation	50.19	50.19
Closing Net Carrying Amount	71.03	71.03
Year Ended 31 March 2017		
Gross Carrying Amount		
Opening Gross Carrying Amount	121.22	121.22
Additions	105.67	105.67
Closing Gross Carrying Amount	226.89	226.89
Accumulated Amortisation and Impairment		
Opening Accumulated Amortisation	50.19	50.19
Amortisation Charge for the year	85.41	85.41
Closing Accumulated Amortisation and Impairment	135.60	135.60
Closing Net Carrying Amount	91.29	91.29

* Computer Software includes expenditure on computer software which is not an integral part of hardware.

Note - 6 : Financial Assets

Note 6(a) : Investments (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investment In Equity Instrument Of Subsidiaries & Joint Venture(At Cost) Unquoted			
59,00,000 (31 March 2016 : 59,00,000, 1 April 2015 :59,00,000) of Class "A" Common Fully Paid up & Non Assessable Shares in the Capital of Swift Engineering Inc	808.88	808.88	808.88
1996.80 (31 March 2016 : 1996.80 1 April 2015 : 1996.80) shares of Technosoft Engineering Solution Inc (USA)	1,135.97	789.84	789.84
54,000 (31 March 2016 : NIL 1 April 2015 : NIL) shares of Technosoft GMBH	50.21	-	-
Total (Equity Instrument)	1,995.06	1,598.72	1,598.72
Investment In Mutual Funds (at Fair Value through Profit & Loss) Quoted			
5,00,000 (31 March 2016 : 5,00,000, 1 April 2015 : NIL) units of HDFC FMP 1132D February - 2016 (1)	55.46	50.63	-
22,351.513 (31 March 2016 : 22,351.513, 11 April 2015 :NIL) units of HDFC Equity	121.54	93.14	-
Total (Mutual Funds)	177.00	143.77	-
Total Non - Current Investments	2,172.06	1,742.49	1,598.72
Aggregate Amount of Quoted Investments	177.00	143.77	-
Aggregate Market value of Quoted Investments	177.00	143.77	-
Aggregate Amount of Unquoted Investments	1,995.06	1,598.72	1,598.72

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 6(a) : Investments (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investment In Mutual Funds (at Fair Value through Profit & Loss)			
Quoted			
90,086.20 (31 March 2016 : 48,335.331, 1 April 2015 : NIL) units of HDFC Balanced	118.07	51.40	-
10,00,000 (31 March 2016 : NIL, 1 April 2015 : NIL) units of HDFC FMP 1170D February - 2017 (1).	100.84	-	-
6,56,946.133 (31 March 2016 :NIL, 1 April 2015 : NIL) units of HDFC Equity Savings	213.70	-	-
3,74,408.435 (31 March 2016 : NIL, 1 April 2015 : NIL) units of HDFC Corporate Debt	50.76	-	-
Total (Mutual Funds)	483.37	51.40	-
Total Current Investments	483.37	51.40	-
Aggregate Amount of Quoted Investments	483.37	51.40	-
Aggregate Market value of Quoted Investments	483.37	51.40	-

Note 6(c) : Trade receivables

(Un-Secured & Considered Good) (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Receivables	28.28	159.11	172.75
Receivables from related parties (Refer Note No 27)	304.35	230.94	57.15
Less : Allowance for doubtful debts	-	-	-
Total Receivables	332.63	390.05	229.90
Current Portion	332.63	390.05	229.90
Non - Current Portion	-	-	-

Note 6(f) : Loans (₹ in lakhs)

Particulars	As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
	Current	Non - Current	Current	Non - Current	Current	Non - Current
Unsecured,considered good						
Loans To Employees	1.45	-	2.16	-	1.17	-
Total Loans	1.45	-	2.16	-	1.17	-

Note 6(d) : Cash and cash equivalents (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balances with Banks			
- In current accounts	4.79	6.27	0.01
Cash on Hand	2.19	0.96	0.48
Total Cash and Cash Equivalents	6.98	7.23	0.49

Note 6(e) : Other Bank Balances (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balance With Scheduled Banks (Fixed Deposit are pledged against Bank Overdraft) :			
Fixed Deposit Accounts Between 3 & 12 Months	125.14	10.10	135.10
Total Other Bank Balances	125.14	10.10	135.10

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 6(b) : Others Financial Assets

(₹ in lakhs)

Particulars	As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
	Current	Non - Current	Current	Non - Current	Current	Non - Current
Security Deposits with :						
Government Department	-	11.00	-	11.00	-	11.00
Others	1.39	37.51	8.78	-	5.19	-
Other Receivables	63.42	-	16.97	-	25.25	-
Interest Receivables	3.99	-	1.72	-	1.37	-
Fixed Deposit with maturity more than12 Months (Fixed Deposit are pledged against Bank Overdraft)	-	200.00	-	125.00	-	-
Total Other Financial Assets	68.80	248.51	27.46	136.00	31.81	11.00

Note 7 : Deferred tax asset

The balance comprises temporary differences attributable to :

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Accelerated Depreciation for tax purpose	18.12	22.25	-
Amount allowable on payment basis under Incoem Tax Act	31.69	14.06	30.92
Tax Losses	13.40	0.13	4.32
Fair Valuation of Financial assets and financial liabilities	-	1.73	-
Total Deferred Tax Assets	63.21	38.17	35.24
Accelerated Depreciation for tax purpose	-	-	32.66
Fair Valuation of Financial assets and financial liabilities	20.87		
Financial assets at Fair Value through Profit and Loss	0.14	0.14	0.14
Set - off of deferred tax liabilities pursuant to set - off provisions	21.01	0.14	32.81
Net Deferred Tax Assets	42.20	38.03	2.44

Note 8 : Other non - current assets

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Prepaid Expenses	3.23	0.45	0.01
Total Other Non Current Asset	3.23	0.45	0.01

Note 9 : Other current assets

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Prepaid Expenses	49.64	29.97	20.76
Balance With Statutory Authorities	22.11	2.91	3.70
Others	0.20	7.00	0.82
Total Other Current Asset	71.95	39.88	25.28

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 10(a) : Equity Share Capital (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Authorised			
6,00,000 (31 March 2016 6,00,000, 1 April 2015 : 6,00,000) Equity Shares Of ₹10/- Each	60.00	60.00	60.00
	60.00	60.00	60.00
Issued, Subscribed and Fully Paid Up			
5,95,011(31 March 2016 5,53,960, 1 April 2015 : 5,53,960) Equity Shares of ₹10/- Each Fully Paid Up	59.51	55.34	55.34
	59.51	55.34	55.34

Out of the above Equity Shares :-

A) 4,99,930 Equity Shares are held by Technocraft Industries (India) Limited, the Holding Company

B). Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

C). Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year :

Particulars	Equity Shares			
	As on March 31, 2017		As on March 31, 2016	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	553,360	55.34	553,360	55.34
Shares Issued during the year	41,651	4.17	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	595,011	59.50	553,360	55.34

c) Shares held by Holding Company

Particulars	As on 31st March 2017		As on 31st March 2016		As on April 1, 2015	
	Number	₹ in Lakhs	Number	₹ in Lakhs	Number	₹ in Lakhs
Technocraft Industries (India) Ltd	499,930	49.99	499,930	49.99	499,930	49.99

E). Details of Sharehlders holding more than 5% shares in the company:

Name of the Sharholder	Equity Shares					
	As on March 31, 2017		As on March 31, 2016		As on April 1, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Technocraft Industries (India) Ltd	499,930	84.02%	499,930	90.34%	499,930	90.34%
Girish G Godbole	41,651	7.00%	-	-	-	-

Note 10(b) : Other Equity (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital Redemption Reserve	2.50	2.50	2.50
Others :			
Securities Premium Reserve	459.12	112.99	112.99
General Reserve	1,475.00	1,475.00	1,475.00
Retained Earnings	1,983.03	1,406.78	1,034.51
Total Reserves and Surplus	3,919.65	2,997.27	2,625.00

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 11(a) : Borrowings (₹ in lakhs)

Particulars	Interest Rate	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured				
Loans and Advances from Bank				
Bank Overdraft		76.03	90.59	75.26
Unsecured				
From Related Party				
Ashrit Holdings Ltd	10%	186.26	104.36	240.92
(Terms Of Repayment - On Demand)				
Total Current Borrowings		262.29	194.95	316.18

Note 11(b) : Trade payables (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Trade Payables	32.26	10.70	6.63
Total Trade Payables	32.26	10.70	6.63

Dues to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro , Small and Meduim Enterprises Development Act ,2006 ('MSMED Act") .The disclosures Pursuant to the said MSMED Act are as Follows

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Principal Amount due to Suppliers registered under the MSMED Act and remaining unpaid as at year end	-	3.06	-
Interest due to Suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	-
Principal Amount paid to Suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest paid,other than under Section 16 of MSMED Act, to suppliers registered under the MSMED ,beyond the appointed day during the year	-	-	-
Interest paid,under Section 16 of MSMED Act, to suppliers registered under the MSMED ,beyond the appointed day during the year	-	-	-
Interest due and payable towards suppliers registered under MSMED Act for payments already made	-	-	-
Further Interest remaining due and payable for earlier years	-	-	-

Note 11(c) : Other financial liabilities (₹ in lakhs)

Particulars	As on March 31, 2017		As on March 31, 2016		As on April 1, 2015	
	Current	Non - Current	Current	Non - Current	Current	Non - Current
Security Deposits with :						
Others	23.10	143.98	2.03	94.64	25.78	49.93
Other Liabilities	25.67	-	12.90	-	10.05	-
Liabilities For Expenses	318.69	-	172.86	-	79.39	-
Total Financial Liabilites	367.46	143.98	187.79	94.64	115.22	49.93

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 12 : Provisions (₹ in lakhs)

Particulars	As on March 31, 2017		As on March 31, 2016		As on April 1, 2015	
	Current	Non - Current	Current	Non - Current	Current	Non - Current
Provision For Leave Salary Encashment	0.48	14.88	0.40	12.91	3.26	10.06
Provision For Gratuity	1.80	78.68	2.00	58.38	1.68	53.10
Total Provisions	2.28	93.56	2.40	71.29	4.94	63.16

Note 13 : Other non - current liabilities (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Prepaid Rent Income	7.37	6.48	0.29
Total Other Current Liabilities	7.37	6.48	0.29

Note 14 : Current Tax Liabilities (Net) (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provision For Taxation	758.12	627.86	464.61
Less : Advance Tax	735.67	601.12	424.07
Total Current Tax Liabilities	22.45	26.74	40.54

Note 15 : Other current liabilities (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advances from customers	1.19	-	-
Prepaid Rent Income	7.86	4.39	3.78
Total Other Current Liabilities	9.05	4.39	3.78

Note 16 : Revenue From Operations (₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Rendering Of Services		
Export (Net)	2,969.30	2,401.65
Local Sales	257.42	178.20
Total Revenue from Continuing Operations	3,226.72	2,579.85

Note 17 : Other Income (₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Rental Income	306.81	200.17
Gain on financial assets measured through fair value through profit and loss	65.40	-
Net Foreign Exchange Gain	-	17.46
Interest Income	26.84	12.64
Other Non Operating Income	61.06	5.64
Total Other Income	460.11	235.91

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 18 : Employee benefits expense

(₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Salaries, Wages, Bonus, allowances Etc.	2,095.10	1,722.33
Contribution To P.F., ESIC Etc.	19.23	10.13
Gratutity (Refer Note No. 28)	18.32	16.78
Staff Welfare Expenses	19.02	7.56
Total Employee Benefits Expense	2,151.67	1,756.80

Note 19 : Finance costs

(₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Interest		
Interest Expenses (net)	26.87	19.86
Other Finance Cost		
Bank Charges	2.20	1.23
Finance Cost expensed in Profit or Loss	29.07	21.09

Note 20 : Depreciation and amortisation expense

(₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Depreciation on Property,Plant and Equipment	116.22	104.65
Depreciation on Investment Properties	21.96	23.08
Amortisation of Intangible Assets	85.41	50.19
Total Depreciation and amortisation expense	223.59	177.92

Note 21 : Other expenses

(₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Advertisement	3.19	2.83
Computer Expense	37.48	34.87
Repairs & Maintainence		
Buildings	24.09	30.09
Others	39.47	24.78
Power & Electricity	41.60	38.24
Water Charges	2.10	1.86
Commission/Brokerage	4.66	1.39
Sales Promotion	8.43	12.81
Traveling & Conveyance Expenses	103.79	48.90
Vehicle Exps	1.21	7.61
Legal & Professional Exps	101.96	86.93
Licence & Membership Fees	2.66	4.36
Rent, Rates & Taxes	35.15	23.98
Insurance (General)	0.26	0.72
Engineering & Design Charges	41.81	12.52
Technical Training Expenses	0.42	0.09
Printing & Stationery	3.93	2.56
Postage,Telegram & Telephone Exp.	28.59	26.02
Miscellaneous Expenses	2.10	1.54
Loss on financial assets measured through fair value through profit and loss	-	4.83
Payment to Auditors - Note 21 (a) below	2.16	1.39
Net Foreign Exchange Losses	0.46	-
Sundry Balance written Off	4.75	0.09
Total Other expenses	490.26	368.41

Note 21 (a) : - Details of Payment to Auditors (₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Payment to Auditors		
As Auditor :		
Audit Fee	1.50	1.00
Tax Audit Fee	0.50	0.30
In other capacities :		
Taxation matters	-	0.05
Re - imbursement Expenses	0.16	0.04
Total Payment to Auditors	2.16	1.39

Note 22 : Tax Expense

(a) Amounts recognised in profit or loss (₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Current tax expense (A)		
Current year	208.75	163.25
Taxation of earlier years	(3.02)	
	205.73	163.25
Deferred tax expense (B)		
Origination and reversal of temporary differences	0.82	(38.50)
Tax expense recognised in the income statement (A+B)	206.55	124.75

(b) Amounts recognised in other comprehensive income (₹ in lakhs)

Particulars	2016-17			2015-16		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(14.43)	(4.99)	(9.44)	8.38	2.90	5.48
	(14.43)	(4.99)	(9.44)	8.38	2.90	5.48

(c) Reconciliation of effective tax rate (₹ in lakhs)

Particulars	Year Ended March 31,2017	Year Ended March 31,2016
Profit before tax	792.24	491.54
Tax using the domestic tax rate (Current year 33.06% and Previous Year 33.06%)	261.91	162.49
Tax effect of :		
Tax effect on non-deductible expenses	3.75	5.73
Excess of depreciation over books under income tax	3.12	(49.89)
Deductions under various sections of Income Tax Act, 1961	(21.94)	(17.82)
Others	(40.29)	24.23
Tax expense as per Statement of Profit & Loss	206.55	124.75
Effective tax rate	26.07%	25.38%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Movement in deferred tax balances (₹ in lakhs)

Particulars	Net balance as at 01/04/2016	Credit / (Charge) in profit or loss	Credit / (Charge) in OCI	31/03/2017 Net Balance	31/03/2017 Deferred tax Asset/ (Liability)
Deferred tax (Asset)/Liabilities					
Property, plant and equipment & Intangible assets	22.25	(4.12)		18.12	18.12
Tax Losses	13.40			13.40	13.40
Employee benefits	0.79	25.90	4.99	31.69	31.69
Investments	1.66	(22.57)		(20.90)	(20.90)
Other Non - Current Financial Liabilities	(0.07)	(0.03)		(0.10)	(0.10)
Deferred Tax Assets/(Liabilities) - Net	38.03	(0.82)	4.99	42.20	42.20

(₹ in lakhs)

Particulars	Net balance as at 01/04/2015	Credit / (Charge) in profit or loss	Credit / (Charge) in OCI	31/03/2016 Net Balance	31/03/2016 Deferred tax Asset/ (Liability)
Deferred tax Asset/(Liabilities)					
Property, plant and equipment & Intangible assets	(32.66)	54.91		22.25	22.25
Tax Losses	13.15	0.25		13.40	13.40
Employee benefits	22.10	(18.41)	(2.90)	0.79	0.79
Investments	-	1.66		1.66	1.66
Other Non - Current Financial Liabilities	(0.14)	0.07		(0.07)	(0.07)
Deferred Tax Assets/(Liabilities) - Net	2.44	38.49	(2.90)	38.03	38.03

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 23 : Earnings per equity share:

Particulars	Year Ended March 31,2017	Year Ended March 31,2016
Weighted average number of Equity Shares of ₹ 10 each		
Number of shares at the beginning of the period	553,360	553,360
Number of shares at the end of the period	595,011	553,360
Weighted average number of shares outstanding during the period	557,012	553,360
Weighted average number of Potential Equity shares outstanding during the year	557,012	553,360
Total number of Potential Equity Share for calculating Diluted Earning Per share	557,012	553,360
Net Profit \ (Loss) after tax available for equity shareholders (₹ in lakhs)	585.69	366.79
Basic Earning per share (in ₹)	105.15	66.28
Diluted Earning per share (in ₹)	105.15	66.28

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in lakhs)

Note 24 : The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as per notification dated 30th March, 2017 issued by Ministry of Corporate Affairs is as follows :

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11. 2016	-	1.76	1.76
(+) Permitted receipts	-	7.59	7.59
(-) Permitted payments	-	7.13	7.13
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12. 2016	**-**	**2.22**	**2.22**

Note 25 : Contingent Liabilities (to the extent not Provided for) (₹ in lakhs)

Contingent Liabilities not provided for	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Demands not acknowledged as Debts (net)			
Central Sales Tax Act,1956 - CST for FY 2007-2008	1.57	1.57	1.57
Income Tax Penalty for A.Y 11-12	-	0.94	0.94
Income Tax Demand for A.Y 12-13	8.16	8.16	8.16

Note- 26 Assets Pledged as Security

The carrying amount of assets Pledged as security for Current & non current borrowings are as below : (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non Current Assets			
Leasehold Land	0.39	0.40	0.41
Investment Property	405.21	425.84	447.53
Factory Building	453.46	476.56	500.82
Other Financial Assets			
Fixed Deposits with Bank	200.00	125.00	-
Total Non Current Assets Pledged as security	**1,058.67**	**1,027.40**	**948.35**
Other Financial Assets			
Fixed Deposits with Banks	125.14	10.10	135.10
Total Current Assets Pledged as security	**125.14**	**10.10**	**135.10**
Total Assets Pledged as Security	**1,183.81**	**1,037.50**	**1,083.45**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 27 : Related Party disclosures

The related Parties as per the terms of Ind AS-24," Related Party Disclosures". (Specified under Section 133 of the Conmpanies Act 2013,read with Rule 7 of Companies (Accounts) Rules ,2015) are disclosed below

A.Name of the related Parties and description of relationship:

(i) Related Party where Control exists

Holding Company
1.Technocraft Industries (India) Ltd.

Subsidiary Companies
1.Technosoft Engineering Inc.
(Formerly Known as Impact Engineering Solutions Inc.)
2.Swift Engineering Inc.
3.Technosoft GMBH

Step down Subsidiary Companies
1.Swift Projects Inc.
2 Technosoft Innovations Inc.

Fellow Subsidiaries
1.Technocraft Trading Sp. Zoo
2.Technocraft Australia PTY Ltd.
3.Technocraft International Limited
4.Anhui Steel Technology Ltd
5.Shreyan Infra & Power LLP
6.Technocraft Closure Pvt Ltd
7.TIL Packaging Pvt Ltd
8.Techno Defence Pvt. Ltd.
9.Highmark International Trading ,UAE
10.AAIT /Technocraft Scaffold Distribution LLC,USA

Joint Venture of the Holding Company
1.Technocraft Tabla Formwork Systems Pvt. Ltd

Name of other Related parties with whom transcations have taken place during the year
Enterprises in which KMP are Interested
1.Ashrit Holdings Limited
2.BMS Industries Ltd

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in lakhs)

Transcations during the Year	2016-17	2015-16
A.Sales of Goods & Services		
Holding Company		
1.Technocraft Industries (India) Ltd.	153.24	155.06
Subsidiary Companies/Step down Subsidiary Companies		
1.Technosoft Engineering Inc.	1,919.45	1,044.10
(Formerly Known as Impact Engineering Solutions Inc.)		
2.Swift Engineering Inc.	5.41	96.01
Fellow Subsidiaries		
1.Technocraft International Limited	748.37	828.09
Enterprises in which KMP are Interested		
1.BMS Industries Ltd	45.64	22.84
B.Interest Paid		
Enterprises in which KMP are Interested		
1.Ashrit Holdings Limited	18.07	14.94
C.Loan Repaid		
Enterprises in which KMP are Interested		
1.Ashrit Holdings Limited	2,828.36	1,830.00
D.Loan Taken		
Enterprises in which KMP are Interested		
1.Ashrit Holdings Limited	2,910.26	1,693.44
E.Recovery of Expenses		
Subsidiary Companies/Step down Subsidiary Companies		
1.Technosoft Engineering Inc.	31.65	24.66
(Formerly Known as Impact Engineering Solutions Inc.)		
2. Technosoft Innovations Inc.	102.68	-
F.Foreign Tavelling Expenses		
Subsidiary Companies /Step down Subsidiary Companies		
1.Technosoft Engineering Inc.	10.33	10.65
(Formerly Known as Impact Engineering Solutions Inc.)		
G.Reimbursement of Outstation Allowance		
Fellow Subsidiaries/Subsidiary Companies		
1.Technocraft International Limited	624.92	667.23
2.Technosoft Engineering Inc.	-	0.41
(Formerly Known as Impact Engineering Solutions Inc.)		
H.Purchase of Goods & Services		
Subsidiary Companies /Step down Subsidiary Companies		
1.Technosoft Engineering Inc.	1.41	2.83
(Formerly Known as Impact Engineering Solutions Inc.)		
2. Technosoft Innovations Inc.	4.31	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lakhs

Amount due to / From Related Parties	**As at 31st March 2017**	**As at 31st March 2016**	**As at 1st April 2015**
A.Trade & Other Receivables			
Subsidiary Companies /Step down Subsidiary Companies			
1.Technosoft Engineering Inc.	268.93	225.60	51.82
(Formerly Known as Impact Engineering Solutions Inc.)			
2. Technosoft Innovations Inc.	35.42	-	-
3.Swift Engineering Inc.	-	5.33	5.33
Fellow Subsidiaries			
1.Technocraft International Limited	28.96	34.76	60.28
A.Loan payable			
Enterprises in which KMP are Interested			
1.Ashrit Holdings Limited	186.26	104.36	240.92

Note

1) The transactions with related parties are made on terms equivalent to those that Prevail in arm's Length transactions

Outstanding balances at the year end are unsecured. The Company has not recorded any impairment of receivables relating to amounts owned by the related Parties .This assessment is undertaken each Financial year through examining the Financial Position of the related party and the market in whch the related Party operates.

Note 28 : DISCLOSURE PURSUANT TO Ind AS - 19 “EMPLOYEE BENEFITS”

[A] Post Employment Benefit Plans:

Defined Contribution Scheme

The Company contributes at a defined percentage of the employee salary out of the total entitlements on account of superannuation benefits under this scheme.

(₹ in lakhs)

Amount recognised in the Statement of Profit and Loss	2016-17	2015-16
Defined Contribution Scheme	14.75	7.10

Defined Benefit Plans

The Company has the following Defined Benefit Plans

Gratuity: In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan (“The Gratuity Plan”) covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The disclosure in respect of the defined Gratuity Plan are given below:

(₹ in lakhs)

Particulars	Defined Benefit Plans	
	As at 31-Mar-17	As at 31-Mar-16
Present value of unfunded obligations	80.48	60.38
Fair Value of plan assets	-	-
Net (Asset)/Liability recognised	**80.48**	**60.38**

Changes in Defined benefit obligations (₹ in lakhs)

Particulars	Present value of obligations
As at 1st April 2016	60.38
Current service cost	13.58
Past service cost	-
Interest Cost/(Income)	4.74
Return on plan assets excluding amounts included in net finance income	
Actuarial (gain)/loss arising from changes in financial assumptions	4.99
Actuarial (gain)/loss arising from experience adjustments	9.45
Employer contributions	-
Benefit payments	(12.65)
As at 31st March 2017	**80.48**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in lakhs)

Particulars	Present value of obligations
As at 1st April 2015	54.78
Current service cost	12.59
Past service cost	-
Interest Cost/(Income)	4.19
Return on plan assets excluding amounts included in net finance income/cost	-
Actuarial (gain)/loss arising from changes in financial assumptions	-
Actuarial (gain)/loss arising from experience adjustments	(8.38)
Employer contributions	-
Benefit payments	(2.80)
As at 31st March 2016	**60.38**

Statement of Profit and Loss

(₹ in lakhs)

Employee benefit expenses :	2016-2017	2015-2016
Current Service cost	13.58	12.59
Interest cost/ (Income)	4.74	4.19
Total amount recognised in Statement of P&L	**18.32**	**16.78**
Remeasurement of the net defined benefit liability :	-	-
Return on plan assets excluding amounts included in net finance income/(cost)	-	-
Change in Financial Assumptions	4.99	-
Experience gains/(losses)	9.45	(8.38)
Total amount recognised in Other Comprehensive Income	**14.43**	**(8.38)**

Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

Financial Assumptions	As at 31-Mar-17	As at 31-Mar-16
Discount rate	7.40%	7.85%
Salary escalation rate	5.00%	5.00%
Withdrawal Rates	2% at younger ages reducing to 1% at older ages	2% at younger ages reducing to 1% at older ages

Demographic Assumptions

Mortality in service : Indian Assured Lives Mortality (2006-08)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

(₹ in lakhs)

Particulars		As at 31-Mar-17 Increase/Decrease in liability	As at 31-Mar-16 Increase/Decrease in liability
Discount rate varied by 0.5%			
	0.50%	74.97	56.24
	-0.50%	86.55	64.93
		-	-
Salary growth rate varied by 0.5%		-	-
	0.50%	86.66	65.02
	-0.50%	74.82	56.13
		-	-
Withdrawal rate (W.R.) varied by 10%		-	-
	W.R.* 110%	80.87	60.67
	W.R.* 90%	80.08	60.08

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption,the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

The expected future cash flows as at 31st March 2017 & as at 31st March 2016 were as follows:

(₹ in lakhs)

Expected contribution	As at 31st March 2017	As at 31st March 2016
Projected benefits payable in future years from the date of reporting		
1st following year	1.80	0.40
2nd following year	2.07	0.45
3rd following year	2.13	0.47
4th following year	2.28	0.50
5th following year	2.49	0.55
Years 6 to 10	18.85	4.14

[B] Other Long term employee benefits

Leave Encashment:

The Employees are entitled to accumulate Earned Leave and Sick Leave, which can be availed during the service period. Employees are also allowed to encash the accumulated earned leave during the service period. Further, the accumulated earned leave and sick leave can be encashed by the employees on superannuation, resignation, and termination or by nominee on death.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in lakhs)

Particulars	Defined Benefit Plans	
	As at 31-Mar-17	As at 31-Mar-16
Present value of unfunded obligations	15.36	13.31
Net (Asset)/Liability recognised	**15.36**	**13.31**

Reconciliation of balances of Defined Benefit Obligations.

(₹ in lakhs)

	Leave Encashment - Unfunded	
	2016-17	2015-16
Defined Obligations at the beginning of the year	13.31	13.33
Current Service Cost	13.74	12.74
Interest Cost	1.04	0.96
Actuarial loss/(gain) due to change in financial assumptions	-	-
Actuarial loss/ (gain) due to experience adjustments	(6.41)	(11.57)
Benefits paid	(6.32)	(2.15)
Defined Obligations at the end of the year	**15.36**	**13.31**

Amount recognised in Statement of Profit and Loss

(₹ in lakhs)

	2016-17	2015-16
Current Service Cost	13.74	12.74
Net Interest Cost	1.04	0.96
Net value of remeasurements on the obligation and plan assets	(6.41)	(11.57)
Total amount recognised in Statement of P&L	**8.38**	**2.13**
Return on plan assets excluding amounts included in net finance income/(cost)	-	-
Change in Financial Assumptions		
Experience gains/(losses)	(6.41)	(11.57)
Net Acturial Loss/(Gain)	**(6.41)**	**(11.57)**

Major Actuarial Assumptions

	2016-17	2015-16
Discount Rate (%)	7.85%	7.85%
Salary Escalation/ Inflation (%)	5.00%	5.00%
Withdrawal Rates	2% at younger ages reducing to 1% at older ages	2% at younger ages reducing to 1% at older ages

The expected future cash flows as at 31st March 2017 & as at 31st March 2016 were as follows:

(₹ in lakhs)

Expected contribution	As at 31st March 2017	As at 31st March 2016
Projected benefits payable in future years from the date of reporting		
1st following year	0.48	0.11
2nd following year	0.71	0.17
3rd following year	0.51	0.12
4th following year	0.52	0.12
5th following year	0.52	1.22
Years 6 to 10	5.63	1.33

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 29: Fair Value Measurements

A. Financial instruments by category and fair value hierarchy :

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

(₹ in lakhs)

	Carrying Value				Fair value			
31st March 2017	**Mandatorily at FVTPL**	**FVTOCI - designated as such**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value through Profit and loss :								
Non-current :								
Investment In Mutual Funds	177.00		-	177.00	177.00			177.00
Current :								
Investment In Mutual Funds	483.37		-	483.37	483.37			483.37
Financial assets at amortised cost								
Non-current :								
Deposits			248.51	248.51				
Current :								
Deposits			1.39	1.39				
Loan to Employees			1.45	1.45				-
Cash and cash equivalents			6.98	6.98				-
Other Bank Balances			125.14	125.14				-
Trade receivables			332.63	332.63				-
Others			67.41	67.41				
	660.37	**-**	**783.52**	**1,443.89**	**660.37**	**-**	**-**	**660.37**
Financial liabilities at amortised cost								
Term loans			262.29	262.29				-
Trade and Other Payables			32.27	32.27				-
Deposits			167.08	167.08				-
Other Current Financial Liabilities (including currenct maturities of loans)			344.37	344.37				-
	-	**-**	**806.01**	**806.01**	**-**	**-**	**-**	**-**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in lakhs)

	Carrying amount				Fair value			
31st March 2016	**Mandatorily at FVTPL**	**FVTOCI - designated as such**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value through Profit and loss :								
Non-current :								
Investment In Mutual Funds	143.77	-	-	143.77	143.77	-	-	143.77
Current :								
Investment In Mutual Funds	51.40	-	-	51.40	51.40	-	-	51.40
								-
Financial assets at amortised cost								-
Non-current :								-
Deposits	-	-	136.00	136.00	-	-	-	-
								-
Current :								-
Deposits	-	-	8.78	8.78	-	-	-	-
Loan to Employees	-	-	2.16	2.16	-	-	-	-
Cash and cash equivalents	-	-	7.23	7.23	-	-	-	-
Other Bank Balances	-	-	10.10	10.10	-	-	-	-
Trade receivables	-	-	390.05	390.05	-	-	-	-
Others	-	-	18.68	18.68	-	-	-	-
	195.17	**-**	**573.00**	**768.17**	**195.17**	**-**	**-**	**195.17**
Financial liabilities at amortised cost								-
Term loans	-	-	194.95	194.95	-	-	-	-
Trade and Other Payables	-	-	10.70	10.70	-	-	-	-
Deposits	-	-	96.68	96.68	-	-	-	-
Other Current Financial Liabilities (including currenct maturities of loans)	-	-	185.76	185.76	-	-	-	-
	-	**-**	**488.09**	**488.09**	**-**	**-**	**-**	**-**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in lakhs)

	Carrying amount				Fair value			
1st April 2015	**Mandatorily at FVTPL**	**FVTOCI - designated as such**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value through Profit and loss :								
Non-current :								
Investment In Mutual Funds	-	-	-	-	-	-	-	-
Current :								
Investment In Mutual Funds	-	-	-	-	-	-	-	-
Financial assets at amortised cost								-
Non-current :								-
Deposits	-	-	11.00	11.00	-	-	-	-
								-
Current :								-
Deposits	-	-	5.19	5.19	-	-	-	-
Loan to Employees	-	-	1.17	1.17	-	-	-	-
Cash and cash equivalents	-	-	0.49	0.49	-	-	-	-
Other Bank Balances	-	-	135.10	135.10	-	-	-	-
Trade receivables	-	-	229.90	229.90	-	-	-	-
Others	-	-	26.62	26.62	-	-	-	-
	-	**-**	**409.47**	**409.47**	**-**	**-**	**-**	**-**
Financial liabilities at amortised cost								-
Term loans	-	-	316.18	316.18	-	-	-	-
Trade and Other Payables	-	-	6.63	6.63	-	-	-	-
Deposits	-	-	75.71	75.71	-	-	-	-
Other Current Financial Liabilities (including currenct maturities of loans)	-	-	89.43	89.43	-	-	-	-
	-	**-**	**487.95**	**487.95**	**-**	**-**	**-**	**-**

During the reporting period ended March 31, 2017 and March 31, 2016, there were no transfers between level 1 and level 2 fair value

B. Measurement of fair values

The following methods and assumptions were used to estimate the fair values of financial instruments :

i) The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

ii) The fair values of the Equity/Mutual fund Investmenst which are quoted are derived from quoted market prices in active markets.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 30 : Financial Risk Management

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of all the risk on its financial performance. The Board of Directors and the Audit Committee are responsible for overseeing the Company's risk assessment and management policies and processes.

The Company's has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Market risk ; and
- Liquidity risk

1. Credit Risk

The Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set and periodically reviewed on the basis of such Information .

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the company. The Company categorises a trade receivable for write off when a debtor fails to make contractual payments or on case to case basis. Where trade receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as Income in the statement of profit or loss.

The Company measures loss rate for trade receivables from Individual customers based on the historical trend, industry practices and the business environment in which the entity operates .Loss rates are based on Past Trends . Based on the historical data , no probable loss on collection of receivable is anticipated & hence no provision is considered .

In case of Credit risks from balances with banks and financial institutions , the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

Ageing of Account receivables

(₹ in lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April, 2015
Not due	325.44	370.64	215.39
0-90 days	-	1.11	5.65
91-180 days	-	-	4.72
181 to 270 days	-	15.44	4.14
271 to 365 days	-	2.86	-
Total	**325.44**	**390.05**	**229.90**

2. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises mainly of currency risk and interest rate risk. Financial Instrument affected by Market risks includes loans and borrowings and foreign Currency Receivables and payables .The Company has set processes and policies to assess, control and monitor the effect of the risk on the financial performance of the company.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

i) Currency Risk

This is the risk that the Company may suffer losses as a result of adverse exchange rate movement during the relevant period.The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. The senior management personnel are responsible for identifying the most effective and efficient ways of managing currency risk.

Unhedged Foreign Currency exposures

(a) Particulars of Unhedged Foreign Currency exposures as at the reporting date

As as 31st March 2017

Foreign Currency in Lakhs

Particulars	USD	EURO	CAD	GBP
Trade Receivables / Other Financial Assets	2.09	0.29	-	2.45
Advances from Customers	0.18	-	-	-
Net	**2.27**	**0.29**	**-**	**2.45**

As as 31st March 2016

Foreign Currency in Lakhs

Particulars	USD	EURO	CAD	GBP
Trade Receivables / Other Financial Assets	5.13	0.18	0.05	0.42
Advances from Customers	-	0.01	-	-
Net	**5.13**	**0.19**	**0.05**	**0.42**

As as 1st April 2015

Foreign Currency in Lakhs

Particulars	USD	EURO	CAD	GBP
Trade Receivables / Other Financial Assets	1.79	0.66	0.27	0.66
Net	**1.79**	**0.66**	**0.27**	**0.66**

b) Foreign Currency Risk Sensitivity

A reasonably possible strengthening / (weakening) of the Indian Rupee against various below currencies at 31st March would have affected the measurement of financial instruments denominated in those currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases

A change in 1% in Foreign Currency would have following Impact on Profit before tax assuming that all other variables , in Particular interest rate remain constant & ignoring any impact of forecast Sales & Purchases.

(₹ in lakhs)

	2016-17		2015-16	
	1% increase	1% Decrease	1% increase	1% Decrease
USD	1.46	(1.46)	3.41	(3.41)
EURO	0.20	(0.20)	0.14	(0.14)
GBP	1.97	(1.97)	0.39	(0.39)
Ohers (CAD)	-	-	0.03	(0.03)
Increase / (Decrease) in Profit or Loss	**3.63**	**(3.63)**	**3.97**	**(3.97)**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

3. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price .Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obiligations when due .The Company maintains flexibility in funding by maintaining availability under committed credit lines. TheManagement monitors rolling forecasts of the Company's Liquidity position and cash and cash equivalents on the basis of the expected cash flows.The Company assessed the Concentration of risk with respect to its debt and concluded it to be low.

Maturity patterns of borrowings

As at March 31, 2017 **(₹ in lakhs)**

	0-1 years	1-5 years	Beyond 5 years	Total
Short term borrowings	262.29	-	-	**262.29**
Total	**262.29**	**-**	**-**	**262.29**

As at March 31, 2016 **(₹ in lakhs)**

	0-1 years	1-5 years	Beyond 5 years	Total
Short term borrowings	194.95	-	-	**194.95**
Total	**194.95**	**-**	**-**	**194.95**

As at April 01, 2015 **(₹ in lakhs)**

	0-1 years	1-5 years	Beyond 5 years	Total
Short term borrowings	316.18	-	-	**316.18**
Total	**316.18**	**-**	**-**	**316.18**

Maturity patterns of other Financial Liabilities

As at March 31, 2017 **(₹ in lakhs)**

	0-1 years	1-5 years	Beyond 5 years	Total
Trade Payables	32.26	-	-	32.26
Other Financial Liabilities (Current & Non Current)	367.46	143.98	-	511.44
Total	**399.72**	**143.98**	**-**	**543.71**

As at March 31, 2016 **(₹ in lakhs)**

	0-1 years	1-5 years	Beyond 5 years	Total
Trade Payables	10.70	-	-	10.70
Other Financial Liabilities (Current & Non Current)	187.79	94.64	-	282.44
Total	**198.49**	**94.64**	**-**	**293.13**

As at April 01, 2015 **(₹ in lakhs)**

	0-1 years	1-5 years	Beyond 5 years	Total
Trade Payables	6.63	-	-	6.63
Other Financial Liabilities (Current & Non Current)	115.22	49.93	-	165.15
Total	**121.85**	**49.93**	**-**	**171.78**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 31 : Capital Risk Management

For the Purpose of Company's Capital management , Capital includes equity attributable to the equity holders of the Company and all other equity reserves.The Primary Objective of the Company's Capital management is to ensure that it maintains an efficient capital Structure and maximise shareholder Value.The Company is monitoring capital using Net debt equity ratio as its base ,which is Net debt to equity.
The company's Policy is to keep Net debt equity ratio below 0.50 and infuse capital if and when required through better operational results and effiecient working capital Management

(₹ in lakhs)

	March 31, 2017	March 31, 2016	April 1, 2015
Net Debt *	255.31	187.72	315.70
Total Equity	3,979.16	3,052.61	2,680.34
Net Debt to Total Equity	**0.06**	**0.06**	**0.12**

*Net Debt= Non Current Borrowings (incluidng Current Maturity on Borrowings) +Current Borrowings -Cash & Cash Equivalents

Note : 32 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 April 1st, 2016, with a transition date of April 1st, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2017, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognized directly in equity (retained earnings or another appropriate category of equity). Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

1) Optional Exemptions :

a) Deemed Cost :

Ind AS 101 permits to measure all its property, plant & equipment, investment properties & intangible assets including Capital work in progress at their previous GAAP carrying value i.e. being deemed cost represented by Gross Block reduced by accumulated depreciation on April 01, 2015

b) Investments in subsidiaries

The Company present separate financial statement wherein Ind AS 27 requires it to measure its investment in subsidiaries either at cost or in accordance with the Ind AS 109. The Company at first time adoption has measured such investment at cost in accordance with the Ind AS 27, wherein it has option to measure the investments in its separate opening Ind AS balance sheet at cost as determined in accordance with Ind AS 27 or deemed cost. Deemed cost shall be fair value at the entity's date of transition to Ind AS in its separate financial statement or previous GAAP carrying amount as on that date. The Company has adopted deemed cost being previous GAAP carrying amount as on date of transition.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

2) Mandatory exemptions :

a) Estimates :

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies). Ind AS estimates as at 1 April, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTPL or FVOCI; and
- Impairment of financial assets based on expected credit loss model.

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

3) Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2015 and March 31, 2016
II. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016
III. Reconciliation of Equity as at April 1, 2015 and March 31, 2016

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I) Reconciliation of Balance sheet as at April 1, 2015 and March 31, 2016

(₹ in lakhs)

Particulars	**Note No. Below**	**As at 31-Mar-16 (Previous GAAP)**	**IND AS Adjustments**	**As at 31-Mar-16 (IND AS)**	**As at 1-Apr-15 (Previous GAAP)**	**IND AS Adjustments**	**As at 1-Apr-15 (IND AS)**
ASSETS							
Non - Current Assets							
Property, Plant and Equipment	5	1,135.37	(452.99)	682.38	1,186.42	(476.07)	710.35
Capital work-in-progress		0.34	-	0.34	-	-	-
Investment Property	5	-	452.99	452.99	-	476.07	476.07
Intangible assets		71.03	-	71.03	58.68	-	58.68
Financial Assets							
Non Current Investments	3	1,748.72	(6.23)	1,742.49	1,598.72		1,598.72
Other Financial Assets		136.00	-	136.00	11.00	-	11.00
Other Non-Current Assets	2		0.45	0.45		0.01	0.01
Deferred tax asset	4	36.44	1.59	38.03	2.58	(0.14)	2.44
Total Non - Current Assets		**3,127.90**	**(4.19)**	**3,123.71**	**2,857.40**	**(0.13)**	**2,857.27**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Current Assets							
Financial Assets							
Current Investments	3	50.00	1.40	51.40			-
Trade receivables		390.05	-	390.05	229.90	-	229.90
Cash and cash equivalents		7.23	-	7.23	0.49	-	0.49
Other Bank Balances		10.10	-	10.10	135.10	-	135.10
Loans		2.16	-	2.16	1.17	-	1.17
Others Financial Assets	2	35.19	(7.73)	27.46	31.87	(0.06)	31.81
Other Current Assets	2	32.59	7.29	39.88	25.22	0.06	25.28
Total Current Assets		**527.32**	**0.96**	**528.28**	**423.75**	**(0.01)**	**423.75**
Total Assets		**3,655.22**	**(3.23)**	**3,651.99**	**3,281.15**	**(0.13)**	**3,281.02**
EQUITY AND LIABILITIES							
EQUITY							
Equity Share Capital		55.34	-	55.34	55.34	-	55.34
Other Equity		3,000.26	(2.99)	2,997.27	2,624.73	0.27	2,625.00
Total Equity		**3,055.60**	**(2.99)**	**3,052.61**	**2,680.07**	**0.27**	**2,680.34**
LIABILITIES							
Non - Current Liabilities							
Financial Liabilities							
Other financial liabilities	2	105.75	(11.11)	94.64	22.37	27.56	49.93
Provisions		71.29	-	71.29	63.16		63.16
Other Non-Current Liabilties	2	-	6.48	6.48	-	0.29	0.29
Total Non - Current Liabilities		**177.04**	**(4.63)**	**172.41**	**85.53**	**27.85**	**113.38**
Current Liabilities							
Financial Liabilities							
Current Borrowings		194.95		194.95	316.18	-	316.18
Trade payables		10.70		10.70	6.63	-	6.63
Other financial liabilities		187.79		187.79	147.26	(32.04)	115.22
Provisions	1	2.40	-	2.40	4.94	-	4.94
Current Tax Liabilities (Net)		26.74	-	26.74	40.54	-	40.54
Other Current Liabilities	2		4.39	4.39		3.78	3.78
Total Current Liabilities		**422.58**	**4.39**	**426.97**	**515.55**	**(28.26)**	**487.30**
Total Equity and Liabilities		**3,655.21**	**(3.22)**	**3,651.99**	**3,281.15**	**(0.13)**	**3,281.02**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

II) Reconciliation of Statement of Profit and Loss for the period ended March 31, 2016

(₹ in lakhs)

Particulars	Note No. Below	For the period ended March 31,2016 IND AS		
		(Previous GAAP)	Adjust-ment	(IND AS)
Revenue From Operations (including excise duty)		2,579.85		2,579.85
Other Income and Other Gains/(Losses)	2&3	231.30	4.61	235.91
Total Income		**2,811.15**	**4.61**	**2,815.76**
Expenses				
Employee benefits expense	1	1,748.42	8.38	1,756.80
Finance costs	2	16.40	4.69	21.09
Depreciation and amortisation expense		177.92		177.92
Other expenses	2&3	363.47	4.94	368.41
Total expenses		**2,306.21**	**18.01**	**2,324.22**
Profit before tax		**504.94**	**(13.40)**	**491.54**
Tax expense:				
(1) Current tax		163.25	-	163.25
(2) Deferred tax		(33.86)	(4.64)	(38.50)
Total tax expenses		**129.39**	**(4.64)**	**124.75**
Profit for the year		**375.55**	**(8.76)**	**366.79**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurement of the net defined benefit liability/asset		-	5.48	5.48
Items that will be reclassified to profit or loss		-	-	-
Other Comprehensive Income for the Year,Net of tax		**-**	**5.48**	**5.48**
Total Comprehensive Income for the year		**375.55**	**(3.28)**	**372.27**

III) Reconcilliation of Equity as on March 31, 2016 & April 1, 2015

(₹ in lakhs)

Particulars	As at 31-Mar-16	As at 1-Apr-15
Total Equity (Shareholder's funds) as per previous GAAP	**3,055.60**	**2,680.07**
Adjustment to restate to Ind AS		
Meaurement of Investments carried at fair value through Profit and Loss	(4.83)	-
Others	0.25	0.41
Deferred tax impact on above adjustments	1.59	(0.14)
Total Impact	**(2.99)**	**0.27**
Total Equity as per Ind AS	**3,052.61**	**2,680.34**

IV) Reconcilliation of Profit or Loss for the year ended March 31, 2016.

(₹ in lakhs)

Particulars	Year ended 31-Mar-16
Profit and Loss as per Previous GAAP	375.55
Adjustment to restate to Ind AS	
Actuarial gain or loss on defined benefit plan transferred to Other	(8.38)
Interest expense on long term borrowing measured at amortised cost	(4.69)
Measurement of Investments at fair value through Profit and Loss	(4.83)
Others	4.50
Deferred tax impact on above adjustments	4.64
Net Profit (as per Ind AS)	**366.79**
Other Comprehensive Income	
Actuarial gain or loss on defined benefit plan (Net of Taxes)	5.48
Total Comprehensive Income / (Loss)	**372.27**

Notes to first time adoption

Note 1: Remeasurements of post employment benefit obligations
Under the previous GAAP, cost relating to post employment benefit obligations including actuarial gain/losses were recognised in Profit & Loss. Under Ind AS, actuarial gain/losses on the net defined benefit liability are recognised in other comprehensive income instead of profit & loss.

Note 2: Security deposit
Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of lease term) are recorded at transaction price. Under Ind AS All financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued the security deposits and the difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent.

Note 3: Fair Valuation of Investments
Under previous GAAP, investment in equity instruments were classified into long term and current investments. Long term investments were carried at cost less provision other than temporary in nature. Current investments were carried at lower of cost or fair value.Under Ind AS, these investments are require to be measured at fair value either through OCI (FVTOCI) or through Profit & loss (FVTPL).The company has opted to fair value these investments through Profit & loss (FVTPL). Accordingly, resulting fair value change of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit & loss account for the year ended March 31 2016.

Note 4: Deferred taxes
Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base.Also,deferred tax have been recognised on the adjustments made on transition to IND AS.

Note 5: Investment Properties
Under previous GAAP,investment properties were presented as a part of non-current investments.Under IND AS,investment properties are required to be separately presented on the face of the balance sheet.There is no impact on the total equity or profit as a result of this adjustment.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note : 33 Employee Share Based compensation :

The Company has a share option scheme for the employees of its subsidiaries. In accordance with the terms of the share option scheme, as approved by shareholders at a general meeting dated September 19, 2013, employees with a pre-defined grade are granted options to purchase equity shares. Each share option converts into one equity share of the company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry. The share options vests based on a pre-determined vesting schedule from the date of grant. The company of which shares are granted is unlisted and the company has given rights to buyback the options based on a pre-determined formulae based on the TTM EBITA multiple of the group. Hence, the fair value of the share options is estimated at the grant date using a Market Based Approach of business valuation and assuming the Buy back option will be exercised, taking into account the terms and conditions upon which the share options are granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest. There are no cash settlement alternatives. The following are share-based payment arrangements during the

	2016-17
Number of option granted	0.42
Exercise Period	15 years from the date of grant or 10 years from the date of vesting whichever is earlier
Date of Exercise	2/5/2017
Method of settlement	Equity
Estimated Fair Value per share (Arrived at Option Pricing Model)	841.03
Model inputs (share price at the grant date)	N.A.
Exercise Price	10
Expected Volatility	N.A.
Risk free rate of return	7.00%

Movement in share options :

Number of Employee Stock Option Outstanding :	**Number of Options**	**Weighted average exercise price**	**Number of Options**	**Weighted average exercise price**
	31.03.2017		**31.03.2016**	
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	0.42	10.00	-	-
Lapsed/Cancelled during the year	-	-	-	-
Exercised during the year	0.42	10.00	-	-
Outstanding at the end of the year	-		-	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note-34 Other Accompanying Notes

1) The Figures have been rounded off to the nearest lakhs of Rupees upto two decimal Places.

2) Previous Years Figures have been regrouped / rearranged where ever necessary to make them Comparable with the Current year Figures

3) As per Ind AS - 108 in respect of segment reporting, the only segment in which company deals is rendering of Engineering ,Design and other related Information Technology Enabled Services. Hence the disclosure as per Ind AS-108 is not applicable to the Company

4) Note 1 to 34 Forms an Intergral Part of the Financial Statements.

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
C.H.BANDI	**NAVNEET SARAF**	**S.K. SARAF**
PARTNER	**DIRECTOR**	**DIRECTOR**
M.NO :5385	DIN-00035686	DIN-00035843

PLACE: MUMBAI
DATE :May 29, 2017

Technocraft Tabla Formwork Systems Pvt. Ltd.

Financial Statement 2016-2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

TECHNOCRAFT TABLA FORMWORK SYSTEM PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone IND AS financial statements of **TECHNCRAFT TABLA FORMWORK SYSTEM PRIVATE LIMITED**, ("the company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 change in Equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND-AS) specified under section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone IND AS financial statement 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.

We conducted our audit 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 Standalone IND AS financial statements, whether due to fraud or error. In making, those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone IND AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone IND AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone IND AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IND AS, of the financial position of the Company as at 31st March, 2017, and its **Loss** (financial performance Including Other Comprehensive Income), its cash flows and changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 (the order); issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure - A,** a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

As required by section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

(c) The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant Rule issued thereunder.

(e) On the basis of the Written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 - B.**

(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:

a. The company has disclosed the impact of pending litigations on its financial position in its financial statement – Refer Note 20 to the financial statement.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d. The Company did not have any holdings or dealings in specified Bank Notes during the period from 08th November, 2016 to 30th December, 2016 accordingly disclosures requirement as envisaged in notification G.S.R 308 ('E) dated 30th March, 2017 is not applicable to the company.

For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date:

(C. H. BANDI) PARTNER
Membership No.5385

ANNEXURE "A" TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TECHNOCRAFT TABLA FORMWORK SYSTEM PRIVATE LIMITED for the year ended 31st March, 2017. We report that:

1a The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

1b As explained to us, the fixed assets of the company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

1c The Company does not own any immovable property accordingly provision of clause 1 (iii) is not applicable to the company.

2. There were no stock of goods during the year with the Company; hence, comments on its physical verification and Material discrepancies is not required and accordingly the provisions of clause 3 (ii) of the order, is not applicable to the Company.

3. The Company has not granted any loans, secured or unsecured to the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the companies Act, 2013 and Accordingly, provision of clause 3 (iii), (iii) (a), (iii) (b) & (iii) (c) of the order, are not applicable to the Company.

4. In our opinion, and according to the information and explanations given to us, the company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under section 185 and 186 of the Act, accordingly provision of section 185 and 186 of the companies Act, 2013 are not applicable to the company.

5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under apply.

6. According to the information, explanations given to us and the books & records examined by us, since the company is carrying out only trading activity during the year therefore Maintenance of cost records under section 148 (1) of the Companies Act, 2013 is not applicable to the company.

7 a According to the information and explanations given to us, the provisions of Provident Fund, Employees' State Insurance Sales Tax, Service tax, duty of customs, duty of excise and value added Tax are not applicable to the company. The company is regular in depositing Income tax and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31st March, 2017 for a period exceeding six months from the date they became payable.

7.b According to information and explanations given to us and the books and records examined by us, there are no disputed amounts payables for Income Tax, Service Tax and Cess etc.

8. The Company has not availed any loan from financial institution or Banks, government or debenture holders during the current year as well as in the earlier years and accordingly the provision of clause 3 (viii) of the order is not applicable to the Company.

9. In our opinion, and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and Term Loan during the year accordingly the provision of clause 3 (ix) of the order is not applicable to the Company.

10. According to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

11. In our opinion, and according to the information and explanations given to us, the Company has not paid any amount to its Directors as a Managerial Remuneration as prescribed by the provision of section 197 read with schedule V of the companies Act, 2013 and accordingly the provision of clause 3 (xi) of the order is not applicable to the Company.

12. In our opinion, the company is not a Nidhi company and accordingly the provision of clause 3 (xii) of the order is not applicable to the Company.

13. In our opinion, and according to the information and explanations given to us, the company has not carried out any transactions with the related parties as defined in section 177 and 188 of the companies Act, 2013. However, the details of related party transactions have been disclosed in the financial statements as required under Accounting Standards (AS) 18, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

14. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the and accordingly the provisions of clause 3 (xiv) of the order is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any Non-Cash transaction with directors or persons connected with the directors, accordingly the provisions of clause 3 (xv) of the order is not applicable to the Company.

16. In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, accordingly the provisions of clause 3 (xvi) of the order is not applicable to the Company.

For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date:

(C. H. BANDI) PARTNER
Membership No.5385

ANNEXURE – "B" TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TECHNOCRAFT TABLA FORMWORK SYSTEM PRIVATE LIMITED for the year ended 31st March, 2017. We report that:

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 **TECHNCRAFT TABLA FORMWORK SYSTEM PRIVATE LIMITED**, ("the Company") as of March 31, 2017 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, 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 applicable to an audit of Internal Financial Controls and, 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 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.

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 March 31, 2017, 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 M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: May 29, 2017

(C. H. BANDI) PARTNER
Membership No.5385

Technocraft Tabla Formwork Systems Private Limited
Balance Sheet as at 31st March 2017

(Amount in Rs)

Particulars	Note No.	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
ASSETS				
Non - Current Assets				
Property,Plant and Equipment	3	8,677	11,039	14,404
Other non-current assets	4	1,192,822	1,192,822	1,192,822
Deferred tax asset (net)	5	-	-	1,545,477
Total Non - Current Assets		1,201,499	1,203,861	2,752,703
Current Assets				
Financial Assets				
Trade receivables	6(a)	-	-	852,410
Cash and cash equivalents	6(b)	240,193	25,230	3,739,329
Others Financial Assets	6(c)	11,000	11,000	1,104,181
Current Tax Assets (Net)	7	762,721	972,812	1,466,861
Total Current Assets		1,013,914	1,009,042	7,162,781
Total Assets		2,215,413	2,212,903	9,915,484
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	8(a)	10,000,000	10,000,000	10,000,000
Other Equity	8(b)	(7,799,456)	(7,792,847)	(3,719,567)
Total Equity		2,200,544	2,207,153	6,280,433
LIABILITIES				
Current liabilities				
Financial Liabilities				
Other Financial Liabilities	9	14,869	5,750	400,808
Provisions	10	-	-	248,938
Other Current Liabilities	11	-	-	2,985,305
Total Current Liabilities		14,869	5,750	3,635,051
Total Equity and Liabilities		2,215,413	2,212,903	9,915,484
Significant Accounting Policies	1 & 2			

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & On Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Sharad Kumar Saraf
DIRECTOR
DIN No :00035843

Navneet Kumar Saraf
DIRECTOR
DIN No :00035799

PLACE: MUMBAI
DATE :29th May 2017

Technocraft Tabla Formwork Systems Private Limited
Statement of Profit and Loss for the year ended March 31, 2017

(Amount in Rs)

Particulars	Note No.	Year Ended 31 March 2017	Year Ended 31 March 2016
Income			
Other Income	12	14,700	302,327
Total Income		14,700	302,327
Expenses			
Finance costs	13	-	340
Depreciation and amortisation expenses	14	2,362	3,365
Other expenses	15	18,948	2,826,426
Total expenses		21,310	2,830,131
Profit/(loss) before tax		(6,609)	(2,527,804)
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	1,545,477
Total tax expenses		-	1,545,477
Profit/(Loss) for the period		(6,609)	(4,073,281)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the Year (Net of tax)		-	-
Total Comprehensive Income for the period		(6,609)	(4,073,281)
Earnings per equity share(on nominal Value of Rs 10/- per Share)	16		
(1) Basic		(0.01)	(4.07)
(2) Diluted		(0.01)	(4.07)
Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Sharad Kumar Saraf
DIRECTOR
DIN No :00035843

Navneet Kumar Saraf
DIRECTOR
DIN No :00035799

PLACE: MUMBAI
DATE :29th May 2017

Technocraft Tabla Formwork Systems Private Limited
Cash Flow Statement the year ended 31st March, 2017

(Amount in Rs)

	Particulars	Year ended 31-Mar-2017	Year ended 31-Mar-2016
A.	CASH FLOW ARISING FROM OPERATING ACTIVITIES :		
	Profit before exceptional items & tax from continuing operations	(6,609)	(2,527,804)
	Add / (Less) : Adjustments to reconcile profit before tax to net cash used in operating activities		
	Depreciation and amortization expenses	2,362	3,365.00
		(4,247)	(2,524,439)
	Working capital adjustments		
	(Increase)/ Decrease in trade and other receivables	-	1,945,590
	Increase/ (Decrease) in trade and other payables	9,119	(395,058)
	Increase/(Decrease) in Provisions	-	(248,938)
	Increase/(Decrease) in other liabilities	-	(2,985,305)
		9,119	(1,683,711)
	Income Tax paid (Net of Refunds)	(210,091)	(494,050)
	Net Cash Inflow/(Outflow) in the course of Operating Activities (A)	214,963	(3,714,099)
B.	CASH FLOW ARISING FROM INVESTING ACTIVITIES :		
	Net Cash Inflow/(Outflow) in the course of Investing Activities (B)	-	-
C.	CASH FLOW ARISING FROM FINANCING ACTIVITIES :		
	Net Cash Inflow/(Outflow) in the course of Financing Activities (C)	-	-
	Net increase / (decrease) in cash and cash equivalents	214,963	(3,714,099)
	Cash and cash equivalents at the beginning of the year	25,230	3,739,329
	Cash and cash equivalents at the end of the year	240,193	25,230

Notes

1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (Ind AS) 7 - "Cash Flow Statements".

2) Components of Cash & Cash equivalents

Particulars	As at 31st March 2017	As at 31st March 2016
a) Cash and Cash Equivalents		
In Current Account	240,193	25,230
Total	240,193	25,230

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

(C.H.BANDI) PARTNER
M.NO :5385

PLACE: MUMBAI
DATE :29th May 2017

For & On Behalf of Board of Directors

Sharad Kumar Saraf
DIRECTOR
DIN No :00035843

Navneet Kumar Saraf
DIRECTOR
DIN No :00035799

Statement of Changes in Equity for the year ended 31st March 2017

(Amount in Rs)

EQUITY SHARE CAPITAL :	Balance as at 1st April,2015	Changes in equity share capital during the year	Balance as at 31st March,2016	Balance as at 1st April, 2016	Changes in equity share capital during the year	Balance as at 31st March,2017
Paid up Capital (Equity shares of Rs 10/- each issued , Subscribed & Fully paid up)	10,000,000	-	10,000,000	10,000,000	-	10,000,000

(Amount in Rs)

OTHER EQUITY :			
Particulars	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 1,2015	(3,719,567)		(3,719,567)
Profit / (Loss) for the year	(4,073,281)	-	(4,073,281)
Balance as at 31st March,2016	(7,792,847)	-	(7,792,847)
Profit / (Loss) for the year	(6,609)	-	(6,609)
Balance as at 31st March,2017	(7,799,456)	-	(7,799,456)

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & On Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Sharad Kumar Saraf
DIRECTOR
DIN No :00035843

Navneet Kumar Saraf
DIRECTOR
DIN No :00035799

PLACE: MUMBAI
DATE :29th May 2017

Note - 1 Company Overview:

Technocraft Tabla Formwork Systems Private Limited ("the Company"), was incorporated on 25th March 2010, CIN U29300MH2010PTC201272. The company is a Private Limited company incorporated and domiciled in India and is having its registered office at A-25 Technocraft House MIDC Marol Industrial Area Road No. 3 Opp ESIS Hospital Andheri (E) Mumbai – 400093 Maharashtra India.
The Company was incorporated to carry on the business of designing, marketing, distributing, manufacturing, assembling, modifying, developing, importing, exporting, letting out and dealing in Tabla Formwork, Scaffolding and Construction equipments and all other types of related Components

Authorisation of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the directors on 29th May 2017.

Note - 2 Significant Accounting policies:

i. Basis of Preparation and Presentation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.
These financial statements for the year ended 31st March, 2017 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2016, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The Financial Statements have been prepared under historical cost convention basis except for certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii. Use of Estimates and Judgments:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

iii. Fair Value Measurement:

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

iv. Revenue Recognition

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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Incomes and Expenditures are recognized on accrual basis except in case of significant uncertainties like, cash incentives and Claims Payable & receivable, which have been accounted on Acceptance basis.

v. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any.

vi. Capital Work in Progress

Cost of assets not ready for use at the balance sheet date is disclosed under capital work-in-progress. Expenditure during construction period is included under Capital Work in Progress & the same is allocated to the respective Property, Plant and Equipment on the completion of its construction.

vii. Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

viii. Depreciation

Depreciation on Property, Plant and Equipment has been provided on the Written down Value method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

ix. Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

a) Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Income Tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

Deferred tax assets and liabilities are offset only if:

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

x. Financial Assets

a) Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

i. <u>Debt instruments at amortised cost</u>

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium 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 & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

ii. Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit & Loss. Other net gains and losses are recognised in other comprehensive Income.

iii. Debt instruments at Fair value through profit or loss (FVTPL)

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

iv. Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

c) De recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or

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

d) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the Business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been as significant increase in credit risk.

xi. Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The measurement of financial liabilities depends on their classification, as described below:

- <u>Financial Liabilities at fair value through profit or loss (FVTPL)</u>

  A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit & Loss.

- <u>Financial Liabilities measured at amortised cost</u>

  After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method ("EIR").

  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 as finance costs in the Statement of Profit & Loss.

c) De recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit & Loss.

xii. Offsetting of financial instruments

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

xiii. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

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

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

xiv. Cash & Cash Equivalents

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

Cash and cash equivalents comprise cash at banks and on hand and demand deposits with banks with an original maturity of three months or less.

xv. Impairment of Non-Financial Assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators

xvi. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

xvii. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

xviii. Earnings per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares

xix. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

xx. Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or 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 financing activities are segregated.

Technocraft Tabla Formwork Systems Private Limited
Notes To The Financial Statements for the year ended 31st March 2017

Note 3 : Property,Plant and Equipment

(Amount in Rs)

Particulars	Furniture, Fittings & Equipments	Computer	Total
Year Ended 31 March 2016			
Gross Carrying Amount			
Deemed Cost as at 1 April 2015	11,289	3,115	14,404
Additions	-	-	-
Disposals	-	-	-
Closing Gross Carrying Amount	11,289	3,115	14,404
Accumulated Depreciation			
Depreciation charge during the year	3,365	-	3,365
Disposals	-	-	-
Closing Accumulated Depreciation	3,365	-	3,365
Net Carrying Amount	7,924	3,115	11,039
Year Ended 31 March 2017			
Gross Carrying Amount			
Opening Gross Carrying Amount	11,289	3,115	14,404
Additions	-	-	-
Disposals	-	-	-
Closing Gross Carrying Amount	11,289	3,115	14,404
Accumulated Depreciation			
Opening Accumulated Depreciation	3,365	-	3,365
Depreciation charge during the year	2,362	-	2,362
Disposals	-	-	-
Closing Accumulated Depreciation	5,727	-	5,727
Net Carrying Amount	5,562	3,115	8,677

Notes

1) All the above Property , Plant & Equipment are held in the name of the Company

2) For Property , Plant and Equipment existing as on the date of transition to Ind -AS , the Company has used Indian GAAP carrying Value as deemed cost.

(Amount in Rs)

Note 4 : Other non-current assets

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
MAT Credit Receivables	1,192,822	1,192,822	1,192,822
Total Other Non Current Assets	1,192,822	1,192,822	1,192,822

Note 5 : Deferred tax asset (net)

The balance comprises temporary differences attributable to :

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Accelerated Depreciation for tax purpose	-	-	259,599
Business Loss	-	-	1,285,878
Net Deferred Tax Assets	-	-	1,545,477

Movement in deferred tax

					31-Mar-16	
Particulars	Net balance as at 01/04/2015	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Net Balance	Deferred tax asset
Deferred tax Asset/(Liabilities)						
Property, plant and equipment	259,599	(259,599)	-	-	-	-
Business Losses	1,285,878	(1,285,878)	-	-	-	-
Deferred Tax Assets/(Liabilities) - Net	1,545,477	(1,545,477)	-	-	-	-

Note - 6 : Financial Assets

Note 6(a) : Trade receivables

(Un-Secured & Considered Good)

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Trade Receivables	-	-	852,410
Less : Allowance for doubtful debts	-	-	-
Total Receivables	-	-	852,410
Current Portion	-	-	852,410
Non - Current Portion	-	-	-

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Breakup of Security details

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Secured,considered good	-	-	-
Unsecured,considered good	-	-	852,410
Doubtful	-	-	-
Total	-	-	852,410
Allowance for doubtful debts	-	-	-
Total Trade Receivables	-	-	852,410

Note 6(b) : Cash and cash equivalents

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Balances with Banks			
- In current account	240,193	25,230	3,713,566
Cash on Hand	-	-	25,763
Total Cash and Cash Equivalents	240,193	25,230	3,739,329

Note 6(c) : Others Financial Assets

Particulars	As at 31-Mar-17		As at 31-Mar-16		As at 01-Apr-15	
	Current	Non - Current	Current	Non - Current	Current	Non - Current
Other Receivables	-	-	-	-	1,093,681	-
Security Deposits with :						
Others	11,000	-	11,000	-	10,500	-
Total Other Financial Assets	11,000	-	11,000	-	1,104,181	-

Note 7 : Current Tax Assets (Net)

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Advance Tax	1,955,542	2,165,633	2,659,682
Less : Provision For Taxation	(1,192,821)	(1,192,821)	(1,192,821)
Net Current Tax Asset	762,721	972,812	1,466,861

Note 8(a) : Equity Share Capital

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Authorised			
10,00,000 (P.Y.- 10,00,000) Equity Shares of Rs.10/- Each	10,000,000	10,000,000	10,000,000
	10,000,000	10,000,000	10,000,000
Issued, Subscribed and Fully Paid Up			
10,00,000 (P.Y.- 10,00,000) Shares of Rs.10/- Each Fully Paid Up	10,000,000	10,000,000	10,000,000
	10,000,000	10,000,000	10,000,000

a). Terms / rights attached to equity shares
The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share.

b). Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period :

Particulars	Equity Shares					
	As on 31st March 2017		As on 31st March 2016		As on 1st April 2015	
	Number	Rs	Number	Rs	Number	Rs
Shares outstanding at the beginning of the year	1,000,000	10,000,000	1,000,000	10,000,000	1,000,000	10,000,000
Shares Issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	1,000,000	10,000,000	1,000,000	10,000,000	1,000,000	10,000,000

c) Shares held by Holding Company

Particulars	As on 31st March 2017		As on 31st March 2016		As on 1st April 2015	
	Number	Rs	Number	Rs	Number	Rs
Technocraft Industries (India) Limited	649,995	6,499,950	649,995	6,499,950	649,995	6,499,950

d). Details of Shareholders holding more than 5% shares in the company:

Name of the Sharholder	Equity Shares					
	As on 31st March 2017		As on 31st March 2016		As on 1st April 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Technocraft Industries (India) Ltd	649,995	65	649,995	65	649,995	65
Gilcheck Management Inc	350,005	35	350,005	35	350,005	35

e) The Company has not issued any equity shares as bonus or for Consideration other than cash and has not bought back any equity shares during the Period of Five years immediately Preceeding 31st March 2017.

Note 8(b) : Other Equity

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Retained Earnings			
Opening Balance	(7,792,847)	(3,719,567)	(3,559,226)
Add : Net Profit / (loss) for the year	(6,609)	(4,073,281)	(153,041)
Less : Transfer from fixed assets	-	-	(7,300)
Closing Balance	(7,799,456)	(7,792,847)	(3,719,567)

Note 9 : Other Financial Liabilities

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Liabilities For Expenses	14,869	5,750	400,808
Total Other Financial Liabilites	14,869	5,750	400,808

Note 10 : Provisions

Particulars	As at 31-Mar-17		As at 31-Mar-16		As at 01-Apr-15	
	Current	Non - Current	Current	Non - Current	Current	Non - Current
Provision For Leave Salary Encashment	-	-	-	-	50,338	-
Provision For Gratuity	-	-	-	-	198,600	-
Total Employee Benefit Obligations	-	-	-	-	248,938	-

No Provision for employee benefits as required by the Ind AS -19 is required, Since the Company did not have any employees during the year.

Note 11 : Other Current Liabilities

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Tds Payable	-	-	258,743
Statutory Liabilities due to Government Department	-	-	2,724,306
Advances from Customers	-	-	2,256
Total Other Current Liabilities	-	-	2,985,305

Note 12 : Other Income

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Other Non-Operating Income		
Interest Received on Income Tax Refund	14,700	90,003
Sales Tax Refund	-	28,128
Miscellaneous Income	-	184,196
Total Other Income	14,700	302,327

Note 13 : Finance costs

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Bank Charges	-	340
Finance Cost expensed in Profit or Loss	-	340

Note 14 : Depreciation and amortisation expenses

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Depreciation on Property,Plant and Equipment	2,362	3,365
Total Depreciation and amortisation expense	2,362	3,365

Note 15 : Other expenses

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Quality Claim	-	1,940,000
Legal & Professional Expenses	2,000	20,120
Rent, Rates & Taxes		
Filing Fees	1,800	1,878
Professional Tax	2,500	2,500
Payment to Auditors - Note 15 (a) below	11,500	8,778
Sundry Balance written Off	-	852,007
Sales Tax Paid	1,148	1,143
Total Other Expenses	18,948	2,826,426

Note 15 (a) : - Details of Payment to Auditors

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Payment to Auditors		
As Auditor :		
Audit Fee	11,500	5,750
In other capacities :		
Re - imbursement Expenses	-	3,028
Total Payment to Auditors	11,500	8,778

Note 16 : Earnings per equity share(on nominal Value of Rs 10/- per Share)

In accordance with Indian Accounting Standard 33 - "Earning Per Share" , the computation of earning per share is set out below:

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Weighted average number of Equity Shares of Rs. 10/- each		
Number of shares at the beginning and end of the period	1,000,000	1,000,000
Weighted average number of shares outstanding during the period	1,000,000	1,000,000
Total number of Potential Equity Shares for calculating Diluted Earning Per share	1,000,000	1,000,000
Net Profit \ (Loss) after tax available for equity shareholders	(6,609)	(4,073,281)
Basic Earning per share (in Rs.)	(0.01)	(4.07)
Diluted Earning per share (in Rs.)	(0.01)	(4.07)

Note 17 : Related Party disclosures

Related Party Disclosures as per Ind AS-24 are disclosed below

A.Name of the related Parties and description of relationship:

(i) Related Party where Control exists

Holding Companies
1.Technocraft Industries India Limited

Fellow Subsidiary Companies
1.Technocraft International Ltd
2.Technocraft Trading Spolka Z.O.O
3.Technocraft Australia PTY Ltd
4.Technosoft Engineering Projects Ltd
(formerly Known as Technosoft Information Technologies (i) Ltd)
5.Anhui Relaible Steel Technology Co. Ltd
6.Technocraft Closures Pvt Ltd
7.Techno Defence Pvt. Ltd
8.TIL Packaging Pvt.Ltd
9.Shreyan Infra & Power LLP
10.Technosoft Engineering Inc.
(Formerly Known as Impact Engineering Solutions Inc.)
11.Swift Engineering Inc.
12.Swift Projects Inc.
13 Technosoft Innovations Inc.
14.Technosoft GMBH
15.AAIT/ Technocraft Scaffold Distribution LLC
16.High Mark International Trading -F.Z.E

Note-
1.No related party transcations were carried out during the Current as well as Previous Year
2.No Amount was receivable / Payable to related Parties as at 31st March 2017, 31st March 2016
& 1st April 2015

Note 18 : Fair Value Measurements

Financial instruments by category and hierarchy :

The Fair Value of the Financial Assets & Liabilities are stated at the amount at which the instrument could be exchanged in a current transaction between willing parties,other than in a forced or liquidation sale.
Cash and Cash Equivalents,trade receivables,other financial assets & other financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments

(Amount in Rs)

Particulars	Carrying Value			Fair value			
	31-Mar-17	31-Mar-16	1-Apr-15	Level 1	Level 2	Level 3	Total
Financial Assets							
Amortised Cost							
Trade Receivables	-	-	852,410	-	-	-	-
Cash and Cash Equivalents	240,193	25,230	3,739,329	-	-	-	-
Other Financial Assets							
- Security Deposit	11,000	11,000	10,500	-	-	-	-
- Other	-	-	1,093,681	-	-	-	-
Total Assets	251,193	36,230	5,695,919	-	-	-	-
Financial Liabilities							
Amortised Cost							
Other Financial Liabilities							
- Liabilities for Expenses	14,869	5,750	400,808	-	-	-	-
Total Liabilities	14,869	5,750	400,808	-	-	-	-

Financial Risk Management

a) Credit Risk

The Company does not forsee any credit risk as entire cash is held in Bank Account with good credit rating Banks

b) Liquidity Risk

Company has no borrowings thus the Company does not forsee any liquidity risk.

c) Market Risk

Company has no foreign currency exposure and does not have hedge position in currency market, thus the Company does foresee any market risk.

Note 19: Capital Management

a) Risk Management :

The Company has no debts thus the Company do not forsee any capital risk.

b) Dividend

The Comapany has not paid dividend thus the company has no dividend liability to be paid.

Note 20: Contingent Liabilities (to the extent not provided for)

(Amount in Rs)

Particulars	2016-2017	2015-2016	2014-2015
Disputed Income Tax Matters under Appeal *	413,130	413,130	413,130
Disputed Liability on account of Royalty	1,623,840	1,623,840	1,623,840

* already paid / adjusted from the Refund due .

Note 21 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 April 1st, 2016, with a transition date of April 1st, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2017, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognized directly in equity (retained earnings or another appropriate category of equity). Set out below are the applicable Ind AS 101 optional exemptions exceptions applied in the transition from previous GAAP to Ind AS.

1) Optional Exemptions

a) Deemed Cost

Ind AS-101 Permits to measure all its Property, Plant & Equipment ,Investment Properties & Intangible assets including Capital Work in Progress at their Previous GAAP Carrying Value i.e.being deemed cost represented by Gross Block reduced by accumulated depreciation on April 01,2015.

2) Transition to Ind AS - Reconcillations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2015 and March 31, 2016

II. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

III. Reconciliation of Equity as at April 1, 2015 and March 31, 2016.

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I) Reconciliation of Balance sheet as at April 1, 2015 and March 31, 2016

(Amount in Rs)

Particulars	Note No. Below	As at 31-Mar-16 (Previous GAAP)	Ind AS Adjustments	As at 31-Mar-16 (Ind AS)	As at 1-Apr-15 (Previous GAAP)	Ind AS Adjustments	As at 1-Apr-15 (Ind AS)
ASSETS							
Non - Current Assets							
Property, Plant and Equipment		11,039	-	11,039	14,404	-	14,404
Other Non-Current Assets		1,192,822	-	1,192,822	1,192,822	-	1,192,822
Deferred tax asset (net)		-	-	-	1,545,477	-	1,545,477
Total Non - Current Assets		1,203,861	-	1,203,861	2,752,703	-	2,752,703
Current Assets							
Financial Assets							
Trade receivables				-	852,410	-	852,410
Cash and cash equivalents		25,230	-	25,230	3,739,329	-	3,739,329
Others Financial Assets		11,000	-	11,000	1,104,181	-	1,104,181
Current Tax Assets (Net)		972,812	-	972,812	1,466,861	-	1,466,861
Total Current Assets		1,009,042	-	1,009,042	7,162,781	-	7,162,781
Total Assets		2,212,903	-	2,212,903	9,915,484	-	9,915,484
EQUITY AND LIABILITIES							
EQUITY							
Equity Share Capital		10,000,000	-	10,000,000	10,000,000	-	10,000,000
Other Equity		(7,792,847)	-	(7,792,847)	(3,719,567)	-	(3,719,567)
Total Equity		2,207,153	-	2,207,153	6,280,433	-	6,280,433
LIABILITIES							
Current Liabilities							
Financial Liabilities							
Other financial liabilities		5,750	-	5,750	400,808	-	400,808
Provisions		-	-	-	248,938	-	248,938
Other Current Liabilities		-	-	-	2,985,305	-	2,985,305
Total Current Liabilities		5,750	-	5,750	3,635,051	-	3,635,051
Total Equity and Liabilities		2,212,903	-	2,212,903	9,915,484	-	9,915,484

II) Reconciliation of Statement of Profit and Loss for the period ended March 31, 2016

(Amount in Rs)

Particulars	Note No. Below	For the year ended March 31,2016		
		(Previous GAAP)	Ind AS Adjustment	(Ind AS)
Revenue From Operations (including excise duty)		-	-	-
Other Income		302,327	-	302,327
Total Income		302,327	-	302,327
Expenses				
Finance costs		340	-	340
Depreciation and amortisation expense		3,365	-	3,365
Other expenses		2,826,426	-	2,826,426
Total expenses		2,830,131	-	2,830,131
Profit before tax		(2,527,804)	-	(2,527,804)
Tax expenses:				
(1) Current tax		-	-	-
(2) Deferred tax		1,545,477	-	1,545,477
Total tax expenses		1,545,477	-	1,545,477
Profit / (Loss) for the year		(4,073,281)	-	(4,073,281)
Other Comprehensive Income				
A. (i) Items that will not be reclassified to profit or loss		-	-	-
(ii) Income tax relating to items that will not be reclassified to Profit & Loss.		-	-	-
B. (i) Items that will be reclassified to profit or loss		-	-	-
(ii) Income tax relating to items that will be reclassified to Profit & Loss.		-	-	-
Other Comprehensive Income for the Year (Net of tax)		-	-	-
Total Comprehensive Income for the year		(4,073,281)	-	(4,073,281)

III) Reconciliation of Equity as on March 31,2016 & April 01,2015

(Amount in Rs)

Particulars	As at 31st March 2016	As at 1st April 2015
Total Equity (Shareholders Fund) as per Previous GAAP	2,207,153	6,280,433
Total Impact due to adjustments to restate to Ind AS	-	-
Total Equity as per Ind AS	2,207,153	6,280,433

Note

1) There are no Ind AS adjustments apart from regrouping

2) Adjustments to Statement of Cash flows : There were no differences between the Statement of Cash Flows presented under Ind AS and the previous GAAP except for regrouping as per Ind AS.

Note 22 The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as per notification dated 30th March, 2017 issued by Ministry of Corporate Affairs is as follows :

(Amount in Rs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	NIL	NIL	NIL
(+) Permitted receipts	NIL	NIL	NIL
(-) Permitted payments	NIL	NIL	NIL
(-) Amount deposited in Banks	NIL	NIL	NIL
Closing cash in hand as on 30.12. 2016	NIL	NIL	NIL

Note 23 : Accompanying Notes to Accounts

a) Provision for retirement benefits

No provison for retirement benefits is made as required ny the Ind AS 19, since the company does not have any employees during the period

b) Segment Reporting

As the company's business consists of one reportable business segment & hence no separate disclosure pertaining to Ind AS 108 is given

c) The Company has incurred losses during the year and accordingly has no current tax as per local tax regulations

d) The Company has re-grouped, reclassified and/or re-arranged previous year's figures, wherever necessary to conform to current year's classification.

e) Note 1 to 23 Forms an intergral Part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & On Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Sharad Kumar Saraf
DIRECTOR
DIN No :00035843

Navneet Kumar Saraf
DIRECTOR
DIN No :00035799

PLACE: MUMBAI
DATE :29th May 2017

TECHNOCRAFT CLOSURES PRIVATE LIMITED

Financial Statement 2016-2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

TECHNOCRAFT CLOSURE PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone IND AS financial statements of **TECHNOCRAFT CLOSURE PRIVATE LIMITED**, ("the company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the Period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 change in Equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND-AS) specified under section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone IND AS financial statement 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.

We conducted our audit 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 Standalone IND AS financial statements, whether due to fraud or error. In making, those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone IND AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone IND AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone IND AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IND AS, of the financial position of the Company as at 31st March, 2017, and its **Loss** (financial performance Including Other Comprehensive Income), its cash flows and changes in Equity for the Period ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 (the order); issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure - A,** a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

As required by section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

(c) The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant Rule issued thereunder.

(e) On the basis of the Written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 - B.**

(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 did not have any pending litigations, which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The Company did not have any holdings or dealings in specified Bank Notes during the period from 08th November, 2016 to 30th December, 2016 accordingly disclosures requirement as envisaged in notification G.S.R 308 ('E) dated 30th March, 2017 is not applicable to the Company.

For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: May 29, 2017

(C. H. BANDI) PARTNER
Membership No.5385

ANNEXURE "A" TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TECHNOCRAFT CLOSURE PRIVATE LIMITED for the Period ended 31st March, 2017. We report that:

1. The Company does not own any fixed assets during the financial year under review. Therefore, comments regarding maintenance of proper records, Physical verification of Fixed Assets by the management and title of the immovable Properties are not required and accordingly the provisions of clause 3 (i) (a) to (c) of the order are not applicable to the Company.

2. There were no stock of goods during the financial year with the Company; hence, comments on its physical verification and Material discrepancies is not required and accordingly the provisions of clause 3 (ii) of the order, is not applicable to the Company.

3. The Company has not granted any loans, secured or unsecured to the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the companies Act, 2013 and Accordingly, provision of clause 3 (iii), (iii) (a), (iii) (b) & (iii) (c) of the order, are not applicable to the Company.

4. In our opinion, and according to the information and explanations given to us, the company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under section 185 and 186 of the Act, accordingly provision of section 185 and 186 of the companies Act, 2013 are not applicable to the company.

5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under apply.

6. According to the information, explanations given to us and the books & records examined by us, since the company is not carrying out any activity during the year therefore Maintenance of cost records under section 148 (1) of the Companies Act, 2013 is not applicable to the company.

7 a According to the information and explanations given to us, the provisions of Provident Fund, Employees' State Insurance Sales Tax, Service tax, duty of customs, duty of excise and value added Tax are not applicable to the company. The company is regular in depositing Income tax and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31st March, 2017 for a period exceeding six months from the date they became payable.

7.b According to information and explanations given to us and the books and records examined by us, there are no disputed amounts payables for Income Tax, Service Tax and Cess etc.

8. The Company has not availed any loan from financial institution or Banks, government or debenture holders during the current year being the first year of the company and accordingly the provision of clause 3 (viii) of the order is not applicable to the Company.

9. In our opinion, and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and Term Loan during the year accordingly the provision of clause 3 (ix) of the order is not applicable to the Company.

10. According to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

11. In our opinion, and according to the information and explanations given to us, the Company has not paid any amount to its Directors as a Managerial Remuneration as prescribed by the provision of section 197 read with schedule V of the companies Act, 2013 and accordingly the provision of clause 3 (xi) of the order is not applicable to the Company.

12. In our opinion, the company is not a Nidhi company and accordingly the provision of clause 3 (xii) of the order is not applicable to the Company.

13. In our opinion, and according to the information and explanations given to us, the company has not carried out any transactions with the related parties as defined in section 177 and 188 of the companies Act, 2013. However, the details of related party transactions have been disclosed in the financial statements as required under Accounting Standards (AS) 18, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

14. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year and accordingly the provisions of clause 3 (xiv) of the order is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any Non-Cash transaction with directors or persons connected with the directors, accordingly the provisions of clause 3 (xv) of the order is not applicable to the Company.

16. In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, accordingly the provisions of clause 3 (xvi) of the order is not applicable to the Company.

For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: May 29, 2017

(C. H. BANDI) PARTNER
Membership No.5385

ANNEXURE – "B" TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TECHNOCRAFT CLOSURE PRIVATE LIMITED for the Period ended 31st March, 2017. We report that:

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 **TECHNOCRAFT CLOSURE PRIVATE LIMITED**, ("the Company") as of March 31, 2017 in conjunction with our audit of the Standalone IND-AS financial statements of the Company for the Period 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, 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 applicable to an audit of Internal Financial Controls and, 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 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.

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 March 31, 2017, 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 M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: May 29, 2017

(C. H. BANDI) PARTNER
Membership No.5385

Technocraft Closure Private Limited
Balance Sheet as at 31st March 2017

(Amount in Rs)

Particulars	Note No.	As at 31-Mar-17
ASSETS		
Non - Current Assets		
Deferred tax asset	3	1,751
Total Non - Current Assets		1,751
Current Assets		
Financial Assets		
Cash and cash equivalents	4	91,385
Total Current Assets		91,385
Total Assets		93,136
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	5(a)	100,000
Other Equity	5(b)	(12,614)
Total Equity		87,386
Current liabilities		
Financial Liabilities		
Other Payables	6	5,750
Total Current Liabilities		5,750
Total Equity and Liabilities		93,136
Significant Accounting Policies	1 & 2	

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Anil Gadodia
DIRECTOR
DIN No :00053783

Sunil Bajaj
DIRECTOR
DIN No :00037661

PLACE: MUMBAI
DATE :29th May 2017

Technocraft Closure Private Limited
Statement of Profit and Loss for the period ended March 31, 2017

(Amount in Rs)

Particulars	Note No.	Period Ended 31-Mar-17
Revenue from Operations		-
Total Income		-
Expenses		
Finance costs	7	115
Other expenses	8	14,250
Total expenses		14,365
Profit/(loss) before tax		(14,365)
Tax expense:		
(1) Current tax		-
(2) Deferred tax		(1,751)
Total tax expenses		(1,751)
Profit/(Loss) for the period		(12,614)
Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss		-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-
B (i) Items that will be reclassified to profit or loss		-
(ii) Income tax relating to items that will be reclassified to profit or loss		-
Other Comprehensive Income for the Period (Net of tax)		-
Total Comprehensive Income for the period		(12,614)
Earnings per equity share (nominal value of Rs 10/- each)	9	
(1) Basic		(1.26)
(2) Diluted		(1.26)
Significant Accounting Policies	1 & 2	

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Anil Gadodia
DIRECTOR
DIN No :00053783

Sunil Bajaj
DIRECTOR
DIN No :00037661

PLACE: MUMBAI
DATE :29th May 2017

Technocraft Closure Private Limited

Cash Flow Statement for the period ended 31st March 2017

(Amount in Rs)

Particulars	Period ended 31-Mar-2017
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES :	
Profit before exceptional items & tax from continuing operations	(14,365)
Add / (Less) : Adjustments to reconcile profit before tax to net cash used in operating activities	-
Operating Profit before Working Capital Changes	(14,365)
Working capital adjustments	
Increase/ (Decrease) in trade and other payables	5,750
Cash Generated from / (used) in operations	(8,615)
Income Tax paid (net of Refunds)	-
Net Cash Inflow/(Outflow) in the course of Operating Activities (A)	(8,615)
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES :	
Net Cash Inflow/(Outflow) in the course of Investing Activities (B)	-
C CASH FLOW ARISING FROM FINANCING ACTIVITIES :	
Proceeds from issue of share capital	100,000
Net Cash Inflow/(Outflow) in the course of Financing Activities (C)	100,000
Net increase / (decrease) in cash and cash equivalents	91,385
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	91,385

Notes

1)The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (Ind AS) 7 - "Cash Flow Statements".

2) Components of Cash & Cash equivalents

(Amount in Rs)

Particulars	As at 31st March 2017
a) Cash and Cash Equivalents	
In Current Account	91,385
Total	91,385

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Anil Gadodia
DIRECTOR
DIN No :00053783

Sunil Bajaj
DIRECTOR
DIN No :00037661

PLACE: MUMBAI
DATE :29th May 2017

Note-1 Company Overview

Technocraft Closures Private Limited ("the Company"), was incorporated on 31st May 2016, CIN L28120MH1992PLC069252. The company is a Private Limited company incorporated and domiciled in India and is having its registered office at A-25 Technocraft House MIDC Marol Industrial Area Road No. 3 Opp ESIS Hospital Andheri (E) Mumbai – 400093 Maharashtra India.
The Company is incorporated to carry on the business of manufacturing, assembling, Fabricating, buying , selling , importing , exporting , trading or otherwise dealing in all types of Drum Closures , Drum Barrels, Tins Containers, tools, moulds, dies & other related Products..

Authorisation of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the directors on 29th May 2017.

Note-2 Significant accounting policies:

i) Basis of Preparation and Presentation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder. These Financial Statements for the year ended 31st March 2017 are the First Financial Statements.

The Financial Statements have been prepared under historical cost convention basis except for certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Use of Estimates and Judgments:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

iii) Fair Value Measurement:

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities

iv) Revenue Recognition

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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Incomes and Expenditures are recognized on accrual basis.

v) Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

a) Current Income Tax

Current income taxes for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Income Tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

Deferred tax assets and liabilities are offset only if:

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

vi) Financial Assets

a) Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium 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 & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

(ii) Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit & Loss. Other net gains and losses are recognised in other comprehensive Income.

(iii) Debt instruments at Fair value through profit or loss (FVTPL)

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

(iv) Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

c) De recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

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

d) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the Business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been as significant increase in credit risk.

vii) Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The measurement of Financial liabilities depends on their classification, as described below:

- Financial Liabilities at fair value through profit or loss (FVTPL)

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit & Loss.

➢ <u>Financial Liabilities measured at amortised cost</u>

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method ("EIR").

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 as finance costs in the Statement of Profit & Loss.

c) De recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit & Loss.

viii) Offsetting of financial instruments

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

ix) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

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

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

x) Cash & Cash Equivalents

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

Cash and cash equivalents comprise cash at banks and on hand and demand deposits with banks with an original maturity of three months or less.

xi) Impairment of Non-Financial Assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators

xii) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

xiii) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

xiv) Earnings per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period.
The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares

xv) Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

xvi) Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or 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 financing activities are segregated.

Statement of Changes in Equity for the Period ended 31st March 2017

(Amount in Rs)

EQUITY SHARE CAPITAL :	Balance as at 31st May, 2016	Changes in equity share capital during the year	Balance as at 31st March,2017
Paid up Capital (Equity Shares of Rs 10/- each issued , Subscribed & Fully Paid	100,000	-	100,000

(Amount in Rs)

OTHER EQUITY :			
Particulars	Retained Earnings	Other Comprehensive Income	Total
Balance as at 31st May,2016	-	-	-
Profit / (Loss) for the period	(12,614)	-	(12,614)
Other Comprehensive Income / (Expenses) for the Period	-	-	-
Balance as at 31st March,2017	(12,614)	-	(12,614)

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Anil Gadodia
DIRECTOR
DIN No :00053783

Sunil Bajaj
DIRECTOR
DIN No :00037661

PLACE: MUMBAI
DATE :29th May 2017

Technocraft Closure Private Limited
Notes To The Financial Statements for the period ended 31st March 2017

(Amount in Rs)

Note 3 : Deferred tax asset

The balance comprises temporary differences attributable to :

Particulars	As at 31-Mar-17
Preliminary Expenses for tax purpose	1,751
Total Deferred Tax Assets	1,751
Set - off of deferred tax liabilities pursuant to set - off provisions	-
Net Deferred Tax Assets	1,751

Movement in Deferred Tax Assets

Particulars	Other Items
At 31st March 2016	-
(Charged)/Credited :	
To Profit & Loss	1,751
To Other Comprehensive Income	-
At 31st March 2017	1,751

Note 4 : Cash and cash equivalents

Particulars	As at 31-Mar-17
Balances with Banks	
-In current accounts	91,385
Total Cash and Cash Equivalents	91,385

Equity

Note 5 (a) : Equity Share Capital

Particulars	As at 31-Mar-17
Authorised	
10,000 (P.Y.Nil) Equity Shares of Rs.10/- Each	100,000
	100,000
Issued, Subscribed and Fully Paid Up	
10,000 (P.Y. Nil) Equity Shares of Rs.10/- Each Fully Paid Up	100,000
	100,000

a). Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share.

b). Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period :

Particulars	Equity Shares	
	As on 31st March 2017	
	Number	Rs
Shares Issued during the year	10,000	100,000
Shares outstanding at the end of the year	10,000	100,000

c). Details of Shareholders holding more than 5% equity shares in the company:

Name of the shareholder	As on 31st March 2017	
	No. of Shares held	% of Holding
Technocraft Industries (India) Ltd and its nominees* (Holding Company)	10,000	100.00

*Of the total shares of the company, one share is held in the name of Mr. Anil Gadodia, who is acting as the nominee of Technocrfat Industries (India) Limited

Note 5(b) : Other Equity

Particulars	As at 31-Mar-17
Retained Earnings	
Opening Balance	-
Add / (Less) : Total Comprehensive Income / (loss) for the period	(12,614)
Total Reserves and Surplus	(12,614)

Note 6 : Other Payables

Particulars	As at 31-Mar-17
Liabilities For Expenses	5,750
Total Other Financial Liabilites	5,750

Technocraft Closure Private Limited
Notes To The Financial Statements for the period ended 31st March 2017

Note 7 : Finance costs

Particulars	Period Ended 31-Mar-17
Bank Charges	115
Finance Cost expensed in Profit or Loss	115

Note 8 : Other expenses

Particulars	Period Ended 31-Mar-17
Legal & Professional Exps	3,000
Licence & Membership Fees	400
Payment to Auditors - Note 8(a) below	5,750
Filing Fees	5,100
Total Other expenses	14,250

Note 8 (a) : - Details of Payment to Auditors

Particulars	Period Ended 31-Mar-17
Payment to Auditors	
As Auditor :	
Audit Fees	5,750
Total Payment to Auditors	5,750

Note 9 : Earnings per equity share (nominal value of Rs 10/- each)

In accordance with Indian Accounting Standard 33 - Earning Per Share, the computation of earning per share is set out below:

Sr No	Particulars	Period Ended 31-Mar-17
i)	Weighted average number of Equity Shares of Rs. 10 /-each	
a)	Number of shares at the beginning and end of the period	10,000
b)	Weighted average number of shares outstanding during the period	10,000
c)	Weighted average number of Potential Equity shares outstanding during the period	10,000
d)	Total number of Potential Equity Share for calculating Diluted Earning Per share	10,000
ii)	Net Profit \ (Loss) after tax available for equity shareholders	(12,614)
iii)	Basic Earning per share (in Rs.)	(1.26)
iv)	Diluted Earning per share (in Rs.)	(1.26)

Note 10 : Related Party disclosures

The related Parties as per the terms of Ind AS-24," Related Party Disclosures". (Specified under Section 133 of the Companies Act 2013 , read with Rule 7 of Companies (Accounts) Rules ,2015) are disclosed below

A.Name of the related Parties

(i) Related Party where Control exists

Holding Company
Technocraft Industries (India) Limited

Fellow Subsidiaries
1.Technocraft International Ltd
2.Technocraft Trading Spolka Z.O.O
3.Technocraft Australia pty Ltd
4.Technosoft Engineering Projects Ltd
(formerly Known as Technosoft Information Technologies (i) Ltd)
5.Anhui Relaible Steel Technology Co. Ltd
6.Shreyan Infra & Power LLP
7.Techno Defence Pvt. Ltd
8.TIL Packaging Pvt.Ltd
9.Technosoft Engineering Inc.
(Formerly Known as Impact Engineering Solutions Inc.)
10.Swift Engineering Inc.
11.Swift Projects Inc.
12 Technosoft Innovations Inc.
13.Technosoft GMBH
14.AAIT/ Technocraft Scaffold Distribution LLC
15.High Mark International Trading -F.Z.E

Joint Venture of the Holding Company
1.Technocraft Tabla Formwork Systems Pvt. Ltd

Details of Transcations carried out with related parties

(Amount in Rs)

Particulars	Period Ended 31st March 2017
Issue of Equity Shares	
Holding Company	
1. Technocraft Industries (India) Limited	100,000

Note 11: Fair Value Measurements

Financial instruments by category

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties,other than in a forced or liquidation sale.

Cash and Cash Equivalents & other payables approximate their carrying amounts largely due to short term maturities of these instruments

(Amount in Rs)

Particulars	Carrying Value
	31-Mar-17
Financial Assets	
Amortised Cost	
Cash and Cash Equivalents	91,385
Total Assets	91,385
Financial Liabilities	
Amortised Cost	
Other Financial Liabilities	
- Other payables	5,750
Total Liabilities	5,750

Financial Risk Management

a) Credit Risk

Company has fully maintained cash balance in Bank Current account and thus the Company does not forsee any credit risk.

b) Liquidity Risk

Company has no borrowings thus the Company does not forsee any liquidity risk.

c) Market Risk

Company has no foreign currency exposure and does not have hedge position in currency market, thus the Company does foresee any market risk.

Note 12: Capital Management

a) Risk Management :

The Company has no debts thus the Company do not forsee any capital risk.

b) Dividend

The Comapany has not paid dividend thus the company has no dividend liability to be paid.

Note 13 The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as per notification dated 30th March, 2017 issued by Ministry of Corporate Affairs is as follows :

(Amount in Rs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11. 2016	NIL	NIL	NIL
(+) Permitted receipts	NIL	NIL	NIL
(-) Permitted payments	NIL	NIL	NIL
(-) Amount deposited in Banks	NIL	NIL	NIL
Closing cash in hand as on 30.12. 2016	NIL	NIL	NIL

Note 14 : Accompanying Notes to Accounts

a) Provision for retirement benefits
No provison for retirement benefits is made as required by Ind AS 19, since the company does not have any employees during the year.

b) Segment Reporting
The company has not earned any Income from any source .Since there is no reportable segment , the requirements of Ind AS-108 " Operating Segments " are not applicable to the Company

c) The Company has incurred losses during the year and accordingly no current tax provision has been made as per local tax regulations.

d) As at 31 March 2017, the Company had no Contingent Liabilities / Contingent Assets .

e) The company is Private Limited Company incorporated on 31st May, 2016 .The accounts of the Company relate to the Period from 31st May 2016 to 31st March, 2017. This being first year of operations of the Company, the Figures for previous year have not been given.

f) Note 1 to 14 forms an Integral Part of the Financial Statements

As per our Report of Even Date

For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Anil Gadodia
DIRECTOR
DIN No :00053783

Sunil Bajaj
DIRECTOR
DIN No :00037661

PLACE: MUMBAI
DATE :29th May 2017

TECHNO DEFENCE PRIVATE LIMITED

Financial Statement 2016-2017

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
TECHNO DEFENCE CLOSURE PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone IND AS financial statements of **TECHNO DEFENCE PRIVATE LIMITED**, ("the company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the Period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 change in Equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND-AS) specified under section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone IND AS financial statement 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.

We conducted our audit 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 Standalone IND AS financial statements, whether due to fraud or error. In making, those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone IND AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone IND AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone IND AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IND AS, of the financial position of the Company as at 31st March, 2017, and its **Loss** (financial performance Including Other Comprehensive Income), its cash flows and changes in Equity for the Period ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 (the order); issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure - A,** a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

As required by section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

(c) The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant Rule issued thereunder.

(e) On the basis of the Written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 - B.**

(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 did not have any pending litigations, which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The Company did not have any holdings or dealings in specified Bank Notes during the period from 08th November, 2016 to 30th December, 2016 accordingly disclosures requirement as envisaged in notification G.S.R 308 ('E) dated 30th March, 2017 is not applicable to the Company.

For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: May 29, 2017

(C. H. BANDI) PARTNER
Membership No.5385

ANNEXURE "A" TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TECHNO DEFENCE PRIVATE LIMITED for the Period ended 31st March, 2017. We report that:

1. The Company does not own any fixed assets during the financial year under review. Therefore, comments regarding maintenance of proper records, Physical verification of Fixed Assets by the management and title of the immovable Properties are not required and accordingly the provisions of clause 3 (i) (a) to (c) of the order are not applicable to the Company.

2. There were no stock of goods during the financial year with the Company; hence, comments on its physical verification and Material discrepancies is not required and accordingly the provisions of clause 3 (ii) of the order, is not applicable to the Company.

3. The Company has not granted any loans, secured or unsecured to the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the companies Act, 2013 and Accordingly, provision of clause 3 (iii), (iii) (a), (iii) (b) & (iii) (c) of the order, are not applicable to the Company.

4. In our opinion, and according to the information and explanations given to us, the company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under section 185 and 186 of the Act, accordingly provision of section 185 and 186 of the companies Act, 2013 are not applicable to the company.

5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under apply.

6. According to the information, explanations given to us and the books & records examined by us, since the company is not carrying out any activity during the year therefore Maintenance of cost records under section 148 (1) of the Companies Act, 2013 is not applicable to the company.

7 a According to the information and explanations given to us, the provisions of Provident Fund, Employees' State Insurance Sales Tax, Service tax, duty of customs, duty of excise and value added Tax are not applicable to the company. The company is regular in depositing Income tax and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31st March, 2017 for a period exceeding six months from the date they became payable.

7.b According to information and explanations given to us and the books and records examined by us, there are no disputed amounts payables for Income Tax, Service Tax and Cess etc.

8. The Company has not availed any loan from financial institution or Banks, government or debenture holders during the current year being the first year of the company and accordingly the provision of clause 3 (viii) of the order is not applicable to the Company.

9. In our opinion, and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and Term Loan during the year accordingly the provision of clause 3 (ix) of the order is not applicable to the Company.

10. According to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

11. In our opinion, and according to the information and explanations given to us, the Company has not paid any amount to its Directors as a Managerial Remuneration as prescribed by the provision of section 197 read with schedule V of the companies Act, 2013 and accordingly the provision of clause 3 (xi) of the order is not applicable to the Company.

12. In our opinion, the company is not a Nidhi company and accordingly the provision of clause 3 (xii) of the order is not applicable to the Company.

13. In our opinion, and according to the information and explanations given to us, the company has not carried out any transactions with the related parties as defined in section 177 and 188 of the companies Act, 2013. However, the details of related party transactions have been disclosed in the financial statements as required under Accounting Standards (AS) 18, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

14. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year and accordingly the provisions of clause 3 (xiv) of the order is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any Non-Cash transaction with directors or persons connected with the directors, accordingly the provisions of clause 3 (xv) of the order is not applicable to the Company.

16. In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, accordingly the provisions of clause 3 (xvi) of the order is not applicable to the Company.

For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: May 29, 2017

(C. H. BANDI) PARTNER
Membership No.5385

ANNEXURE – "B" TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TECHNO DEFENCE PRIVATE LIMITED for the Period ended 31st March, 2017. We report that:

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 **TECHNO DEFENCE PRIVATE LIMITED**, ("the Company") as of March 31, 2017 in conjunction with our audit of the Standalone IND-AS financial statements of the Company for the Period 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, 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 applicable to an audit of Internal Financial Controls and, 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 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.

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 March 31, 2017, 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 M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

(C. H. BANDI) PARTNER
Membership No.5385

Place of Signature: Mumbai
Date: May 29, 2017

Techno Defence Private Limited
Balance Sheet as at 31st March 2017

(Amount in Rs)

Particulars	Note No.	As at 31-Mar-17
ASSETS		
Non - Current Assets		
Deferred tax asset	3	1,751
Total Non - Current Assets		1,751
Current Assets		
Financial Assets		
Cash and cash equivalents	4	91,500
Total Current Assets		91,500
Total Assets		93,251
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	5(a)	100,000
Other Equity	5(b)	(12,499)
Total Equity		87,501
LIABILITIES		
Current liabilities		
Financial Liabilities		
Other payables	6	5,750
Total Current Liabilities		5,750
Total Equity and Liabilities		93,251
Significant Accounting Policies	1 & 2	

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Sharad Kumar Saraf
DIRECTOR
DIN :00035843

Sudarshan Kumar Saraf
DIRECTOR
DIN :00035799

PLACE: MUMBAI
DATE :29th May 2017

Techno Defence Private Limited
Statement of Profit and Loss for the period ended March 31, 2017

(Amount in Rs)

Particulars	Note No.	Period Ended 31-Mar-17
Revenue from Operations		-
Total Income		-
Expenses		
Other expenses	7	14,250
Total expenses		14,250
Profit/(loss) before tax		(14,250)
Tax expense:		
(1) Current tax		-
(2) Deferred tax		(1,751)
Total tax expenses		(1,751)
Profit /(Loss) for the period after tax		(12,499)
Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss		-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-
B (i) Items that will be reclassified to profit or loss		-
(ii) Income tax relating to items that will be reclassified to profit or loss		-
Other Comprehensive Income for the Period (Net of tax)		-
Total Comprehensive Income for the period		(12,499)
Earnings per equity share (nominal value of Rs 10/- each)	8	
1) Basic		(1.25)
2) Diluted		(1.25)
Significant Accounting Policies	1 & 2	

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date

For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Sharad Kumar Saraf
DIRECTOR
DIN :00035843

Sudarshan Kumar Saraf
DIRECTOR
DIN :00035799

PLACE: MUMBAI
DATE :29th May 2017

Techno Defence Private Limited
Cash Flow Statement for the Period ended 31st March 2017

(Amount in Rs)

Particulars	Period ended 31-Mar-2017
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES :	
Profit before exceptional items & tax from continuing operations	(14,250)
Add / (Less) : Adjustments to reconcile profit before tax to net cash used in operating activities	-
Operating Profit before Working Capital Changes	(14,250)
Working capital adjustments	
Increase/ (Decrease) in trade and other payables	5,750
Cash Generated from / (used) in operations	(8,500)
Income Tax paid (net of Refunds)	-
Net Cash Inflow/(Outflow) in the course of Operating Activities (A)	(8,500)
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES :	
Net Cash Inflow/(Outflow) in the course of Investing Activities (B)	-
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES :	
Proceeds from issue of share capital	100,000
Net Cash Inflow/(Outflow) in the course of Financing Activities (C)	100,000
Net increase / (decrease) in cash and cash equivalents	91,500
Cash and cash equivalents at the beginning of the Period	-
Cash and cash equivalents at the end of the Period	91,500

Notes

1)The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (Ind AS) 7 - "Cash Flow Statements".

2) Components of Cash & Cash equivalents (Amount in Rs)

Particulars	As at 31st March 2017
a) Cash and Cash Equivalents	
In Current Account	91,500
Total	91,500

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

(C.H.BANDI) PARTNER
M.NO :5385

For & on Behalf of Board of Directors

Sharad Kumar Saraf
DIRECTOR
DIN :00035843

Sudarshan Kumar Saraf
DIRECTOR
DIN :00035799

PLACE: MUMBAI
DATE :29th May 2017

Statement of Changes in Equity for the Period ended 31st March 2017

(Amount in Rs)

EQUITY SHARE CAPITAL :	Balance as at 25th October, 2016	Changes in equity share capital during the year	Balance as at 31st March,2017
Paid up Capital (Equity Shares of Rs 10/- each issued , Subscribed & Fully Paid Up)	100,000	-	100,000

(Amount in Rs)

OTHER EQUITY :			
Particulars	Retained Earnings	Other Comprehensive Income	Total
Balance as at 25th October,2016	-	-	-
Profit / (Loss) for the Period	(12,499)	-	(12,499)
Other Comprehensive Income for the Period	-	-	-
Balance as at 31st March,2017	(12,499)	-	(12,499)

As per our Report of Even Date

For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Sharad Kumar Saraf
DIRECTOR
DIN :00035843

Sudarshan Kumar Saraf
DIRECTOR
DIN :00035799

PLACE: MUMBAI
DATE :29th May 2017

Note-1 Company Overview

Techno Defence Private Limited ("the Company"), was incorporated on 25th October 2016, CIN U74999MH2016PTC287143. The company is a Private Limited company incorporated and domiciled in India and is having its registered office at A-25 Technocraft House MIDC Marol Industrial Area Road No. 3 Opp ESIS Hospital Andheri (E) Mumbai – 400093 Maharashtra India.
The Company is incorporated to carry on the business of manufacturing & repairing of all Kinds of article launchers, trailers, defence trailers, self –propelled Vechicles,laser ordinance disposal systems, directed energy systems, laser equipment's etc.

Authorisation of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the directors on 29th May 2017.

Note-2 Significant accounting policies:

i) Basis of Preparation and Presentation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder. These Financial Statements for the year ended 31st March 2017 are the First Financial Statements.

The Financial Statements have been prepared under historical cost convention basis except for certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Use of Estimates and Judgments:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

iii) Fair Value Measurement:

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities

iv) Revenue Recognition

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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Incomes and Expenditures are recognized on accrual basis.

v) Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

a) Current Income Tax

Current income taxes for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Income Tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

Deferred tax assets and liabilities are offset only if:

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

vi) Financial Assets

a) Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) <u>Debt instruments at amortised cost</u>

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium 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 & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

(ii) <u>Debt instruments at Fair value through Other Comprehensive Income (FVOCI)</u>

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit & Loss. Other net gains and losses are recognised in other comprehensive Income.

(iii) <u>Debt instruments at Fair value through profit or loss (FVTPL)</u>

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

(iv) <u>Equity investments</u>

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

c) De recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

➢ The rights to receive cash flows from the asset have expired, or

➢ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

d) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the Business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been as significant increase in credit risk.

vii) Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The measurement of Financial liabilities depends on their classification, as described below:

➢ <u>Financial Liabilities at fair value through profit or loss (FVTPL)</u>

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit & Loss.

➢ <u>Financial Liabilities measured at amortised cost</u>

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method ("EIR").

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 as finance costs in the Statement of Profit & Loss.

c) De recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit & Loss.

viii) Offsetting of financial instruments

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

ix) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

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

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

x) Cash & Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.
Cash and cash equivalents comprise cash at banks and on hand and demand deposits with banks with an original maturity of three months or less.

xi) Impairment of Non-Financial Assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.
In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators

xii) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.
Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

xiii) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

xiv) Earnings per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period.
The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares

xv) Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

xvi) Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or 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 financing activities are segregated.

(Amount in Rs)

Note 3 : Deferred tax asset

The balance comprises temporary differences attributable to :

Particulars	As at 31-Mar-17
Preliminary Expense for tax purpose	1,751
Total Deferred Tax Assets	1,751
Set - off of deferred tax liabilities pursuant to set - off provisions	-
Net Deferred Tax Assets	1,751

Movement in Deferred Tax Assets

Particulars	Other Items
At 31 March 2016	-
(Charged)/Credited :	
To Profit & Loss	1,751
To Other Comprehensive Income	-
At 31 March 2017	1,751

Note 4 : Cash and cash equivalents

Particulars	As at 31-Mar-17
Balances with Banks	
- In current accounts	91,500
Total Cash and Cash Equivalents	91,500

Equity

Note 5(a) : Equity Share Capital

Particulars	As at 31-Mar-17
Authorised	
10,000 (P.Y.Nil) Equity Shares Of Rs.10/- Each	100,000
	100,000
Issued, Subscribed and Fully Paid Up	
10,000 (P.Y. Nil) Equity Shares of Rs.10/- Each Fully Paid Up	100,000
	100,000

a). Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 /- per share. Each holder of equity share is entitled to one vote per share.

b). Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period :

Particulars	Equity Shares	
	As on 31st March 2017	
	Number	Rs
Shares Issued during the year	10,000	100,000
Shares outstanding at the end of the year	10,000	100,000

c) Shares held by Holding Company

Particulars	As on 31st March 2017	
	Number	Rs
Technocraft Industries (India) Ltd	7,000	70,000

d). Details of Shareholders holding more than 5% equity shares in the company:

Name of the Shareholder	As on 31st March 2017	
	No. of Shares held	% of Holding
Technocraft Industries (India) Ltd	7,000	70
Mr. Pravin Salinkar	3,000	30

Note 5(b) : Other Equity

Particulars	As at 31-Mar-17
Retained Earnings	
Opening Balance	-
Add / (Less) : Total Comprehensive Income for the period	(12,499)
Closing Balance	(12,499)

Note 6 : Other payables

Particulars	As at 31-Mar-17
Liabilities For Expenses	5,750
Total Other Financial Liabilites	5,750

Techno Defence Private Limited

Notes to the Financial Statements for the year ended 31st March 2017

Note 7 : Other expenses

Particulars	Period Ended 31-Mar-17
Legal & Professional Exps	3,000
Licence & Membership Fees	700
Payment to Auditors - Note 7(a) below	5,750
Filing Fees	4,800
Total Other expenses	14,250

Note 7 (a) : - Details of Payment to Auditors

Particulars	Period Ended 31-Mar-17
Payment to Auditors	
As Auditor :	
Audit Fee	5,750
Total Payment to Auditors	5,750

Note 8 : Earnings per equity share (nominal value of Rs 10/- each)

In accordance with Indian Accounting Standard 33 - "Earning Per Share" , the computation of earning per share is set out below:

Sr No	Particulars	Period Ended 31-Mar-17
i)	Weighted average number of Equity Shares of Rs. 10 each	
a)	Number of shares at the beginning and end of the period	10,000
b)	Weighted average number of shares outstanding during the period	10,000
c)	Weighted average number of Potential Equity shares outstanding	10,000
d)	Total number of Potential Equity Shares for calculating Diluted Earning Per share	10,000
ii)	Net Profit \ (Loss) after tax available for equity shareholders	(12,499)
iii)	Basic Earning per share (in Rs.)	(1.25)
iv)	Diluted Earning per share (in Rs.)	(1.25)

Note 9 : Related Party disclosures

The related Parties as per the terms of Ind AS-24," Related Party Disclosures". (Specified under Section 133 of the Companies Act 2013 ,read with Rule 7 of Companies (Accounts) Rules ,2015) are disclosed below

A.Name of the related Parties

(i) Related Party where Control exists

Holding Company
Technocraft Industries (India) Limited

Fellow Subsidiaries
1.Technocraft International Ltd
2.Technocraft Trading Spolka Z.O.O
3.Technocraft Australia pty Ltd
4.Technosoft Engineering Projects Ltd
(formerly Known as Technosoft Information Technologies (i) Ltd)
5.Anhui Relaible Steel Technology Co. Ltd
6.Shreyan Infra & Power LLP
7.Technocraft Closures Private Limited
8.TIL Packaging Pvt.Ltd
9.Technosoft Engineering Inc.
(Formerly Known as Impact Engineering Solutions Inc.)
10.Swift Engineering Inc.
11.Swift Projects Inc.
12 Technosoft Innovations Inc.
13.Technosoft GMBH
14.AAIT/ Technocraft Scaffold Distribution LLC
15.High Mark International Trading -F.Z.E

Joint Venture of the Holding Company
1.Technocraft Tabla Formwork Systems Pvt. Ltd

Details of Transcations carried out with related parties

(Amount in Rs)

Particulars	Year Ended 31st March 2017
Issue of Equity Shares	
Holding Company	
1. Technocraft Industries (India) Limited	70,000

Note 10: Fair Value Measurements

Financial instruments by category

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties,other than in a forced or liquidation sale.

Cash and Cash Equivalents & other payables approximate their carrying amounts largely due to short term maturities of these instruments

(Amount in Rs)

Particulars	Carrying Value
	31-Mar-17
Financial Assets	
Amortised Cost	
Cash and Cash Equivalents	91,500
Total Assets	91,500
Financial Liabilities	
Amortised Cost	
Other Financial Liabilities	
- Other payables	5,750
Total Liabilities	5,750

Financial Risk Management

a) Credit Risk

Company has fully maintained cash balance in Bank Current account and thus the Company does not forsee any credit risk.

b) Liquidity Risk

Company has no borrowings thus the Company does not forsee any liquidity risk.

c) Market Risk

Company has no foreign currency exposure and does not have hedge position in currency market, thus the Company does foresee any market risk.

Note 11: Capital Management

a) Risk Management :

The Company has no debts thus the Company do not forsee any capital risk.

b) Dividend

The Comapany has not paid dividend thus the company has no dividend liability to be paid.

Note 12 The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as per notification dated 30th March, 2017 issued by Ministry of Corporate Affairs is as follows :

(Amount in Rs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11. 2016	NIL	NIL	NIL
(+) Permitted receipts	NIL	NIL	NIL
(-) Permitted payments	NIL	NIL	NIL
(-) Amount deposited in Banks	NIL	NIL	NIL
Closing cash in hand as on 30.12. 2016	NIL	NIL	NIL

Note 13 : Accompanying Notes to Accounts

a) Provision for retirement benefits

No provison for retirement benefits is made as required by Ind AS 19, since the company does not have any employees during the year.

b) Segment Reporting

The company has not earned any Income from any source .Since there is no reportable segment , the requirements of Ind AS-108 " Operating Segments " are not applicable to the Company

c) The Company has incurred losses during the year and accordingly no current tax provision has been made as per local tax regulations.

d) As at 31 March 2017, the Company had no Contingent Liabilities / Contingent Assets .

e) The company is Private Limited Company incorporated on 25th October 2016 .The accounts of the Company relate to the Period from 25th October 2016 to 31st March, 2017. This being first year of operations of the Company, the Figures for previous year have not been given.

f) Note 1 to 13 forms an Integral Part of the Financial Statements

As per our Report of Even Date

For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Sharad Kumar Saraf
DIRECTOR
DIN :00035843

Sudarshan Kumar Saraf
DIRECTOR
DIN :00035799

PLACE: MUMBAI
DATE :29th May 2017

TIL PACKAGING PRIVATE LIMITED

Financial Statement 2016-2017

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
TIL PACKAGING PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone IND AS financial statements of **TIL PACKAGING PRIVATE LIMITED**, ("the company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the Period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 change in Equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND-AS) specified under section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone IND AS financial statement 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.

We conducted our audit 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 Standalone IND AS financial statements, whether due to fraud or error. In making, those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone IND AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone IND AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone IND AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IND AS, of the financial position of the Company as at 31st March, 2017, and its **Loss** (financial performance Including Other Comprehensive Income), its cash flows and changes in Equity for the Period ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 (the order); issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure - A,** a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

As required by section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

(c) The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant Rule issued thereunder.

(e) On the basis of the Written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 - B.**

(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 did not have any pending litigations, which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The Company did not have any holdings or dealings in specified Bank Notes during the period from 08th November, 2016 to 30th December, 2016 accordingly disclosures requirement as envisaged in notification G.S.R 308 ('E) dated 30th March, 2017 is not applicable to the Company.

For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

(C. H. BANDI) PARTNER
Membership No.5385

Place of Signature: Mumbai
Date: May 29, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TIL PACKAGING PRIVATE LIMITED for the Period ended 31st March, 2017. We report that:

1. The Company does not own any fixed assets during the financial year under review. Therefore, comments regarding maintenance of proper records, Physical verification of Fixed Assets by the management and title of the immovable Properties are not required and accordingly the provisions of clause 3 (i) (a) to (c) of the order are not applicable to the Company.

2. There were no stock of goods during the financial year with the Company; hence, comments on its physical verification and Material discrepancies is not required and accordingly the provisions of clause 3 (ii) of the order, is not applicable to the Company.

3. The Company has not granted any loans, secured or unsecured to the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the companies Act, 2013 and Accordingly, provision of clause 3 (iii), (iii) (a), (iii) (b) & (iii) (c) of the order, are not applicable to the Company.

4. In our opinion, and according to the information and explanations given to us, the company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under section 185 and 186 of the Act, accordingly provision of section 185 and 186 of the companies Act, 2013 are not applicable to the company.

5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under apply.

6. According to the information, explanations given to us and the books & records examined by us, since the company is not carrying out any activity during the year therefore Maintenance of cost records under section 148 (1) of the Companies Act, 2013 is not applicable to the company.

7 a According to the information and explanations given to us, the provisions of Provident Fund, Employees' State Insurance Sales Tax, Service tax, duty of customs, duty of excise and value added Tax are not applicable to the company. The company is regular in depositing Income tax and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31st March, 2017 for a period exceeding six months from the date they became payable.

7.b According to information and explanations given to us and the books and records examined by us, there are no disputed amounts payables for Income Tax, Service Tax and Cess etc.

8. The Company has not availed any loan from financial institution or Banks, government or debenture holders during the current year being the first year of the company and accordingly the provision of clause 3 (viii) of the order is not applicable to the Company.

9. In our opinion, and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and Term Loan during the year accordingly the provision of clause 3 (ix) of the order is not applicable to the Company.

10. According to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

11. In our opinion, and according to the information and explanations given to us, the Company has not paid any amount to its Directors as a Managerial Remuneration as prescribed by the provision of section 197 read with schedule V of the companies Act, 2013 and accordingly the provision of clause 3 (xi) of the order is not applicable to the Company.

12. In our opinion, the company is not a Nidhi company and accordingly the provision of clause 3 (xii) of the order is not applicable to the Company.

13. In our opinion, and according to the information and explanations given to us, the company has not carried out any transactions with the related parties as defined in section 177 and 188 of the companies Act, 2013. However, the details of related party transactions have been disclosed in the financial statements as required under Accounting Standards (AS) 18, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

14. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year and accordingly the provisions of clause 3 (xiv) of the order is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any Non-Cash transaction with directors or persons connected with the directors, accordingly the provisions of clause 3 (xv) of the order is not applicable to the Company.

16. In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, accordingly the provisions of clause 3 (xvi) of the order is not applicable to the Company.

For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: May 29, 2017

(C. H. BANDI) PARTNER
Membership No.5385

ANNEXURE – "B" TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TIL PACKAGING PRIVATE LIMITED for the Period ended 31st March, 2017. We report that:

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 **TIL PACKAGING PRIVATE LIMITED**, ("the Company") as of March 31, 2017 in conjunction with our audit of the Standalone IND-AS financial statements of the Company for the Period 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, 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 applicable to an audit of Internal Financial Controls and, 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 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.

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 March 31, 2017, 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 M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: May 29, 2017

(C. H. BANDI) PARTNER
Membership No.5385

TIL Packaging Private Limited

Balance Sheet as at 31st March 2017

(Amount in Rs)

Particulars	Note No.	As at 31-Mar-17
ASSETS		
Non - Current Assets		
Deferred tax asset	3	1,751
Total Non - Current Assets		1,751
Current Assets		
Financial Assets		
Cash and Cash equivalents	4	91,385
Total Current Assets		91,385
Total Assets		93,136
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	5(a)	100,000
Other Equity	5(b)	(12,614)
Total Equity		87,386
LIABILITIES		
Current liabilities		
Financial Liabilities		
Other Payables	6	5,750
Total Current Liabilities		5,750
Total Equity and Liabilities		93,136
Significant Accounting Policies	1 & 2	

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Shrikishan Bangar
DIRECTOR
DIN No.00037877

Neeraj Rai
DIRECTOR
DIN No.03274522

PLACE: MUMBAI
DATE :29th May 2017

TIL Packaging Private Limited

Statement of Profit and Loss for the period ended March 31, 2017

(Amount in Rs)

Particulars	Note No.	Year Ended 31-Mar-17
Revenue from Operations		-
Total Income		-
Expenses		
Finance costs	7	115
Other expenses	8	14,250
Total expenses		14,365
Profit/(loss) before tax		(14,365)
Tax expense:		
(1) Current tax		-
(2) Deferred tax		(1,751)
Total tax expenses		(1,751)
Profit/(Loss) for the period		(12,614)
Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss		-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-
B (i) Items that will be reclassified to profit or loss		-
(ii) Income tax relating to items that will be reclassified to profit or loss		-
Other Comprehensive Income for the Year (Net of tax)		-
Total Comprehensive Income for the period		(12,614)
Earnings per equity share (nominal value of Rs 10/- each)	9	
(1) Basic		(1.26)
(2) Diluted		(1.26)
Significant Accounting Policies	1 & 2	

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Shrikishan Bangar
DIRECTOR
DIN No.00037877

Neeraj Rai
DIRECTOR
DIN No.03274522

PLACE: MUMBAI
DATE :29th May 2017

TIL Packaging Private Limited

Cash Flow Statement for the year ended 31st March, 2017

(Amount in Rs)

Particulars	Year ended 31-Mar-2017
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES :	
Profit before exceptional items & tax from continuing operations	(14,365)
Add / (Less) : Adjustments to reconcile profit before tax to net cash used in operating activities	-
Operating Profit before Working Capital Changes	(14,365)
Working capital adjustments	
Increase/ (Decrease) in trade and other payables	5,750
Cash Generated from / (used) in operations	(8,615)
Income Tax paid (net of Refunds)	-
Net Cash Inflow/(Outflow) in the course of Operating Activities (A)	(8,615)
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES :	
Net Cash Inflow/(Outflow) in the course of Investing Activities (B)	-
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES :	
Proceeds from issue of share capital	100,000
Net Cash Inflow/(Outflow) in the course of Financing Activities (C)	100,000
Net increase / (decrease) in cash and cash equivalents	91,385
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	91,385

Notes

1)The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".

2) Components of Cash & Cash equivalents

(Amount in Rs)

Particulars	As at 31st March 2017
a) Cash and Cash Equivalents	
In Current Account	91,385
Total	91,385

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Shrikishan Bangar
DIRECTOR
DIN No.00037877

Neeraj Rai
DIRECTOR
DIN No.03274522

PLACE: MUMBAI
DATE : 29th May 2017

Statement of Changes in Equity for the year ended 31st March 2017

(Amount in Rs)

EQUITY SHARE CAPITAL :	Balance as at 31st May, 2016	Changes in equity share capital during the year	Balance as at 31st March,2017
Paid up Capital (Equity Shares of Rs 10/- each issued , Subscribed & Fully Paid Up)	100,000	-	100,000

(Amount in Rs)

OTHER EQUITY :			
Particulars	Retained Earnings	Other Comprehensive Income	Total
Balance as at 31st May,2016	-	-	-
Profit / (Loss) for the Period	(12,614)	-	(12,614)
Other Comprehensive Income for the Period	-	-	-
Balance as at 31st March,2017	(12,614)	-	(12,614)

The accompanying notes are an integral part of the Financial Statements

As per our Report of Even Date
For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Shrikishan Bangar
DIRECTOR
DIN No.00037877

Neeraj Rai
DIRECTOR
DIN No.03274522

PLACE: MUMBAI
DATE :29th May 2017

Note-1 Company Overview

TIL Packaging Private Limited ("the Company"), was incorporated on 31st May 2016, CIN U74999MH2016PTC281811. The company is a Private Limited company incorporated and domiciled in India and is having its registered office at A-25 Technocraft House MIDC Marol Industrial Area Road No. 3 Opp ESIS Hospital Andheri (E) Mumbai – 400093 Maharashtra India.

The Company is incorporated to carry on the business of manufacturing, buying, selling, importing, exporting, trading or otherwise dealing in all Kinds of Packaging Containers.

Authorisation of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the directors on 29th May 2017.

Note-2 Significant accounting policies:

i) Basis of Preparation and Presentation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder. These Financial Statements for the year ended 31st March 2017 are the First Financial Statements.

The Financial Statements have been prepared under historical cost convention basis except for certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Use of Estimates and Judgments:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

iii) Fair Value Measurement:

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities

iv) Revenue Recognition

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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Incomes and Expenditures are recognized on accrual basis.

v) Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

a) Current Income Tax

Current income taxes for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Income Tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

Deferred tax assets and liabilities are offset only if:

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

vi) Financial Assets

a) Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) <u>Debt instruments at amortised cost</u>

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium 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 & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

(ii) <u>Debt instruments at Fair value through Other Comprehensive Income (FVOCI)</u>

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit & Loss. Other net gains and losses are recognised in other comprehensive Income.

(iii) <u>Debt instruments at Fair value through profit or loss (FVTPL)</u>

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

(iv) <u>Equity investments</u>

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

c) De recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

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

d) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the Business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been as significant increase in credit risk.

vii) Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The measurement of Financial liabilities depends on their classification, as described below:

- <u>Financial Liabilities at fair value through profit or loss (FVTPL)</u>

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit & Loss.

➢ <u>Financial Liabilities measured at amortised cost</u>

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method ("EIR").

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 as finance costs in the Statement of Profit & Loss.

c) De recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit & Loss.

viii) Offsetting of financial instruments

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

ix) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

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

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

x) Cash & Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.
Cash and cash equivalents comprise cash at banks and on hand and demand deposits with banks with an original maturity of three months or less.

xi) Impairment of Non-Financial Assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.
In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators

xii) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.
Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

xiii) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

xiv) Earnings per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period.
The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares

xv) Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

xvi) Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or 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 financing activities are segregated.

TIL Packaging Private Limited
Notes to the Financial Statements for the period ended 31st March 2017

(Amount in Rs)

Note 3 : Deferred tax asset

The balance comprises temporary differences attributable to :

Particulars	As at 31-Mar-17
Preliminary Expenses for tax purpose	1,751
Total Deferred Tax Assets	1,751
Set - off of deferred tax liabilities pursuant to set - off provisions	-
Net Deferred Tax Assets	1,751

Movement in Deferred Tax Assets

Particulars	Other Items
At 31st March 2016	-
(Charged)/Credited :	
To Profit & Loss	1,751
To Other Comprehensive Income	
Deferred Tax on basis adjustment	
At 31st March 2017	1,751

Note 4 : Cash and Cash equivalents

Particulars	As at 31-Mar-17
Balances with Banks	
- In Current accounts	91,385
Total Cash and Cash Equivalents	91,385

Note - 5: Equity

Note : Equity Share Capital

Particulars	As at 31-Mar-17
Authorised	
10,000 (P.Y.Nil) Equity Shares of Rs.10/- Each	100,000
	100,000
Issued, Subscribed and Fully Paid Up	
10,000 (P.Y. Nil) Equity Shares of Rs.10/- Each Fully Paid Up	100,000
	100,000

a). Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 /-per share. Each holder of equity share is entitled to one vote per share.

b). Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period :

Particulars	Equity Shares	
	As on 31st March 2017	
	Number	Rs
Shares Issued during the year	10,000	100,000
Shares outstanding at the end of the year	10,000	100,000

c). Details of Shareholders holding more than 5% equity shares in the company:

Name of the shareholder	As on 31st March 2017	
	No. of Shares held	% of Holding
Technocraft Industries (India) Ltd and its nominees* (Holding Company)	10,000	100

* Of the total shares of the company, one share is held in the name of Mr. Shrikishan Bangar, who is acting as the nominee of Technocrat Industries(India) Limited.

Note 5 (b) : Other Equity

Particulars	As at 31-Mar-17
Retained Earnings	
Opening Balance	-
Add / (Less) : Total Comprehensive Income for the period	(12,614)
Closing Balance	(12,614)

Note 6 : Other Payables

Particulars	As at 31-Mar-17
Liabilities For Expenses	5,750
Total Other Financial Liabilites	5,750

Note 7 : Finance costs

Particulars	Period Ended 31.03.2017
Bank Charges	115
Finance Cost expensed in Profit or Loss	115

TIL Packaging Private Limited

Notes to the Financial Statements for the period ended 31st March 2017

Note 8 : Other expenses

Particulars	Period Ended 31.03.2017
Legal & Professional Exps	3,000
Licence & Membership Fees	400
Payment to Auditors - Note 8(a) below	5,750
Filing Fees	5,100
Total Other expenses	14,250

Note 8 (a) : - Details of Payment to Auditors

Particulars	Period Ended 31.03.2017
Payment to Auditors	
As Auditor :	
Audit Fees	5,750
Total Payment to Auditors	5,750

Note 9 : Earnings per equity share

In accordance with Indian Accounting Standard 33 - Earning Per Share, the computation of Earning per share is set out below:

Sr No	Particulars	Period Ended 31.03.2017
i)	Weighted average number of Equity Shares of Rs. 10/- each	
a)	Number of shares at the beginning and end of the period	10,000
b)	Weighted average number of shares outstanding during the period	10,000
c)	Weighted average number of Potential Equity shares outstanding during the period	10,000
d)	Total number of Potential Equity Shares for calculating Diluted Earning Per share	10,000
ii)	Net Profit \ (Loss) after tax available for equity shareholders	(12,614)
iii)	Basic Earning per share (in Rs.)	(1.26)
iv)	Diluted Earning per share (in Rs.)	(1.26)

Note 10 : Related Party disclosures

The related Parties as per the terms of Ind AS-24," Related Party Disclosures".(Specified under Section 133 Section 133 of the Conmpanies Act 2013,read with Rule 7 of Companies (Accounts) Rules ,2015) are disclosed below

A.Name of the related Parties

(i) Related Party where Control exists

Holding Company
Technocraft Industries (India) Limited

Fellow Subsidiaries
1.Technocraft International Ltd
2.Technocraft Trading Spolka Z.O.O
3.Technocraft Australia pty Ltd
4.Technosoft Engineering Projects Ltd
(formerly Known as Technosoft Information Technologies (i) Ltd)
5.Anhui Relaible Steel Technology Co. Ltd
6.Shreyan Infra & Power LLP
7.Techno Defence Pvt. Ltd
8.Technocraft Closures Private Limited
9.Technosoft Engineering Inc.
(Formerly Known as Impact Engineering Solutions Inc.)
10.Swift Engineering Inc.
11.Swift Projects Inc.
12 Technosoft Innovations Inc.
13.Technosoft GMBH
14.AAIT/ Technocraft Scaffold Distribution LLC
15.High Mark International Trading -F.Z.E

Joint Venture of the Holding Company
1.Technocraft Tabla Formwork Systems Pvt. Ltd

Details of Transcations carried out with related parties

(Amount in Rs)

Particulars	Period Ended 31st March 2017
Issue of Equity Shares	
Holding Company	
1. Technocraft Industries (India) Limited	100,000

Note 11: Fair Value Measurements

Financial instruments by category

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties,other than in a forced or liquidation sale.

Cash and Cash Equivalents & other payables approximate their carrying amounts largely due to short term maturities of these instruments

(Amount in Rs)

Particulars	Carrying Value
	31-Mar-17
Financial Assets	
Amortised Cost	
Cash and Cash Equivalents	91,385
Total Assets	91,385
Financial Liabilities	
Amortised Cost	
Other Financial Liabilities	
- Other payables	5,750
Total Liabilities	5,750

Financial Risk Management

a) Credit Risk

Company has fully maintained cash balance in Bank Current account and thus the Company does not forsee any credit risk.

b) Liquidity Risk

Company has no borrowings thus the Company does not forsee any liquidity risk.

c) Market Risk

Company has no foreign currency exposure and does not have hedge position in currency market, thus the Company does foresee any market risk.

Note 12: Capital Management

a) Risk Management :

The Company has no debts thus the Company do not forsee any capital risk.

b) Dividend

The Comapany has not paid dividend thus the company has no dividend liability to be paid.

Note 13 The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as per notification dated 30th March, 2017 issued by Ministry of Corporate Affairs is as follows :

(Amount in Rs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11. 2016	NIL	NIL	NIL
(+) Permitted receipts	NIL	NIL	NIL
(-) Permitted payments	NIL	NIL	NIL
(-) Amount deposited in Banks	NIL	NIL	NIL
Closing cash in hand as on 30.12. 2016	NIL	NIL	NIL

Note 14 : Accompanying Notes to Accounts

a) Provision for retirement benefits

No provison for retirement benefits is made as required by Ind AS 19, since the company does not have any employees during the year.

b) Segment Reporting

The company has not earned any Income from any source .Since there is no reportable segment , the requirements of Ind AS-108 " Operating Segments " are not applicable to the Company

c) The Company has incurred losses during the year and accordingly no current tax provision has been made as per local tax regulations.

d) As at 31 March 2017, the Company had no Contingent Liabilities / Contingent Assets .

e) The company is Private Limited Company incorporated on 31st May, 2016 .The accounts of the Company relate to the Period from 31st May 2016 to 31st March, 2017. This being first year of operations of the Company, the Figures for previous year have not been given.

f) Note 1 to 14 form an Integral part of the Financial Statements

As per our Report of Even Date

For M.L.Sharma & Co
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

For & on Behalf of Board of Directors

(C.H.BANDI) PARTNER
M.NO :5385

Shrikishan Bangar
DIRECTOR
DIN No.00037877

Neeraj Rai
DIRECTOR
DIN No.03274522

PLACE: MUMBAI
DATE :29th May 2017

SHREYAN INFRA & POWER LLP

Financial Statement 2016-2017

AUDITORS' REPORT

TO THE PARTNERS OF

SHREYAN INFRA & POWER LLP, MUMBAI

We have compiled the attached Balance Sheet as at 31st March, 2017 of SHREYAN INFRA & POWER LLP, MUMBAI incorporated pursuant to section 12 (1) of the Limited Liability Partnership Act, 2008 and also the annexed Statement of Profit & Loss for the year ended on that date and report that: -

1) In our opinion, proper books of account have been maintained by the LLP firm;

2) The annexed Balance Sheet and Profit & Loss Account are in agreement with the Books of Account of the LLP Firm as at 31st March, 2017.

FOR M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

PLACE: MUMBAI
DATED: May 30, 2017

(C.H. BANDI) PARTNER
M. NO. 5385

SHREYAN INFRA & POWER LLP

Balancesheet as at 31st March 2017

(Amount in Rs.)

	Particulars	Note No	As at 31st March 2017	As at 31st March 2016
I	Equity And Liabilities			
1	Partners Capital Account	1	100,000	100,000
	Partners Current Account	2	(402,716)	(385,153)
			(302,716)	(285,153)
2	Non Current Liabilities			
	A.Other Non Current Liabilities	3	-	70,161,192
3	Current Liabilities			
	A. Short Term Borrowings	4	100,103,229	95,106,512
	B. Other Current Liabilities	5	79,993,850	928,696
			180,097,079	96,035,208
			179,794,363	165,911,247
II	Assets			
1	Non Current Assets			
	A.Deferred Tax Asset		142,335	126,928
2	Current Assets			
	A. Stock -in -Trade (Land)		174,516,500	165,125,703
	B. Cash And Cash Equivalent	6	4,824,158	157,744
	C. Other Current Asssets	7	311,370	500,872
			179,652,028	165,784,319
			179,794,363	165,911,247

Significant Accounting Policies and Notes forming part of Accounts — 9

For M. L. Sharma & Co.
Firm Reg. No. 109963W
Chartered Accountants

For Shreyan Infra & Power LLP

(C. H. Bandi) Partner
M.No:5385

Partner

Partner

Place: Mumbai
Date: 29th May 2017

SHREYAN INFRA & POWER LLP

Statement of Profit And Loss for the year ended 31st March 2017

(Amount in Rs.)

Particulars	Note No	Year Ended 31st March 2017	Year Ended 31st March 2016
Revenue			
Revenue From Operations		-	-
Other Income		-	-
Total Revenue		-	-
Expenses			
Bank Charges		244	9,688
Other Expenses	8	32,726	6,390
Total Expenses		32,970	16,078
Profit/(Loss) Before Taxation		(32,970)	(16,078)
Tax Expenses			
Current Tax		-	-
Deferred Tax		(15,407)	(4,968)
Profit/(Loss) After Taxation		(17,563)	(11,110)
Significant Accounting Policies and Notes forming part of Accounts	9		

For M. L. Sharma & Co.
Firm Reg. No. 109963W
Chartered Accountants

For Shreyan Infra & Power LLP

(C. H. Bandi) Partner
M.No: 5385

Partner Partner

Place: Mumbai
Date: 29th May 2017

SHREYAN INFRA & POWER LLP

Notes to the Financial Statements for the year ended 31st March 2017

Note-1
Partners Capital Account

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
Technocraft Industries India Limited		
Opening Balance	90,000	90,000
Add: Additions During the Year	-	-
Less Withdrawls During the Year	-	-
Closing Balance (a)	90,000	90,000
Sharad Kumar Saraf		
Opening Balance	10,000	10,000
Add: Additions During the Year	-	-
Less: Withdrawls During the Year	-	-
Closing Balance (b)	10,000	10,000
Total Partners Capital Account (a+b)	100,000	100,000

SHREYAN INFRA & POWER LLP

Notes to the Financial Statements for the year ended 31st March 2017

Note-2

Partners Current Account

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
Technocraft Industries India Limited		
Opening Balance	(346,638)	(16,794)
Add: Additions During the Year	-	-
Add : Transfer of Old Reserves to Current A/c	-	(319,845)
Add : Share of Profit / (Loss) for the Period	(15,806)	(9,999)
Closing Balance (a)	(362,444)	(346,638)
Sharad Kumar Saraf		
Opening Balance	(38,515)	(1,866)
Add: Additions During the Year	-	-
Add : Transfer of Old Reserves to Current A/c	-	(35,538)
Add : Share of Profit / (Loss) for the Period	(1,757)	(1,111)
Closing Balance (b)	(40,272)	(38,515)
Total Partners Current Account (a+b)	(402,716)	(385,153)

SHREYAN INFRA & POWER LLP

Notes To The Financial Statements for the year ended 31st March 2017

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
Note "3" Other Non Current Liabilities		
Deposits Received	-	15,000,000
Shreyan Venture (Tds)	-	191,653
Shreyan Venture	-	54,969,539
	-	70,161,192
Note "4" Short Term Borrowings		
(From Related Party)		
Ashrit Holdings Limited	100,103,229	95,106,512
(Rate of Interest 10% p.a ;P.Y 10% p.a)		
	100,103,229	95,106,512
Note "5" :- Other Current Liabilities		
Deposits Received	15,000,000	-
Liabilities for Expenses	23,000	5,750
Tds Payable	939,080	922,946
Shreyan Venture (Tds)	311,370	-
Shreyan Venture	63,720,400	-
	79,993,850	928,696
Note "6" :- Cash & Cash Equivalents		
Balances with Scheduled Bank		
In Current Account	4,824,158	157,744
	4,824,158	157,744
Note "7" Other Current Assets		
Other Advances	-	309,219
Advance Income Tax	311,370	191,653
	311,370	500,872

(Amount in Rs.)

Particulars	Year Ended 31st March 2017	Year Ended 31st March 2016
Note "8" :- Other Expenses		
Professional Fees		
Licence & Membership fees	100	140
Professional fees	1,000	500
Payment to Auditors		
For Audit Fees	14,375	5,750
For Tax Audit fees	8,625	-
For Other Matters	8,626	-
	32,726	6,390

Shreyan Infra & Power LLP

NOTE NO –9

Notes to the Financial Statements for the Year Ended 31st March 2017

I. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

These accounts are prepared on the historical cost basis, in accordance with the Generally Accepted Accounting Principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and on the accounting principles of going concern.

2. RECOGNITION OF INCOME AND EXPENDITURE

- Income and expenditure are recognized on accrual basis.

- **Revenue from Real Estate activities**
  The Revenue from such activities shall be recognized in accordance with the Guidance Note on Real Estate Transactions issued by The Institute of Chartered Accountants of India. As all the events mentioned in Para 5.3 of the said Guidance Note are not completed, no revenue has been recognized during the year.

3. INVENTORIES

- Inventory Comprising of Land is valued at Cost or Net Realizable Value Whichever is lower. Cost of Land Comprises of Cost of Land, Stamp Duty, Registration Charges & all other Direct Costs incurred in connection with acquisition of Land.

4. Fixed Assets:

The Firm does not own any Fixed Assets during the year.

5. Investments:

The Firm does not own any Investments during the year.

6. FOREIGN EXCHANGE TRANSACTION

- Transactions denominated in foreign currency are normally accounted for at the exchange rate prevailing at the time of transaction.
- Monetary assets and Liabilities in foreign currency transactions remaining unsettled at the end of the year (other than forward contract transactions) are translated at the year end rates and the corresponding effect is given to the respective account.
- Exchange differences' arising on account of fluctuations in the rate of exchange is recognized in the statement of Profit & Loss account.
- Exchange rate difference arising on account of conversion/translation of liabilities for acquisition of Fixed Assets is recognized in the statement of Profit & Loss account.

7. TAXATION

Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet Date. Deferred tax assets are recognized, only to the extent there is a reasonable certainty of its realisation. At each Balance sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

8. RETIREMENT BENEFITS

Year End Retirement benefits are not applicable to the Firm.

9. BORROWING COST

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of the assets up to the date the assets are put to use. Other borrowing costs are charged to the Statement of Profit & Loss in the year in which they are incurred.

10. INTANGIBLE ASSETS

Intangible Assets are recognized by the Firm only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the same can be measured reliably.

Intangible Assets are amortized on a systematic basis over its useful life and the amortization for each period will be recognized as an expense.

11. PROVISION

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

12. CONTINGENT LIABILITIES

Contingent Liabilities are not provided for in the accounts. These are disclosed by way of Notes to the Accounts.

II. NOTES TO ACCOUNTS

1. The Limited Liability Partnership is engaged in Real Estate Activities .The Revenue from such activities shall be recognized in accordance with the Guidance Note on Real Estate Transactions issued by The Institute of Chartered Accountants of India. As per the said Guidance Note , Revenue & Cost as per Percentage Completion method should be recognized only when all the events stipulated in Para 5.3 of the said Guidance Note are completed in addition to the Conditions mentioned in Para 5.2.As all the events mentioned in Para 5.3 are not completed , no income and expenditure as per Percentage Completion method has been recognized during the year.

2. Provision for taxation has not been made in view of Losses.

3. DISCLOSURE OF RELATED PARTIES AND RELATED PARTY TRANSACTIONS
In compliance with the AS-18 “Related Party Disclosure”, which has become mandatory, the required information is as under:-

(I) LIST OF RELATED PARTIES

SR.NO	RELATED PARTY
I	**KEY MANAGERIAL PERSONNEL**
1	S.K.Saraf – Being Designated Partner
2	S.M.Saraf (Representing Technocraft Industries (I) Ltd Being Designated Partner)
II	**Enterprises Significantly influenced by Key Managerial Personnel or their relatives**
1	Ashrit Holdings Limited
III	**Joint Venture**
1	Shreyan Venture
IV	**Designated Partner**
1	Technocraft Industries (I) Ltd
V	**Co-Venturer**
1	Mohit Developers

(II) Names of the Related Parties with Whom Transactions Were Carried Out During the Year and Description of Relationship

SR.NO	RELATED PARTY
I	**Joint Venture**
1	Shreyan Venture
II	**Enterprises Significantly Influenced by Key Managerial Personnel or their relatives**
1	Ashrit Holdings Limited

(III) Disclosure of Related Party Transactions

Sr.No.	Nature of Relationship / Transactions	Designated Partner & Partners	Joint Venture & Co Venturer	Enterprises Significantly Influenced by KMP	Total Amount (in Rs)
1	Interest Paid	NIL (NIL)	NIL (NIL)	93,90,797 (92,29,458)	93,90,797 (92,29,458)
2	Loan Received	NIL (NIL)	NIL (NIL)	1,31,66,717 (94,11,512)	1,31,66,717 (94,11,512)
3	Loan Repaid	NIL (NIL)	NIL (NIL)	81,70,000 (1,23,05,000)	81,70,000 (1,23,05,000)
4	Advances Received	NIL (NIL)	89,57,579 (1,13,00,690)	NIL (NIL)	89,57,579 (1,13,00,690)
5	Advances Repaid	NIL (NIL)	87,000 (NIL)	NIL (NIL)	87,000 (NIL)

( ) Indicates Previous year Figures

(IV) Amount due To / From Related Parties as on 31st March 2017

Sr.No.	Nature of Relationship / Transactions	Designated Partner & Partners	Joint Venture & Co Venturer	Enterprises Significantly Influenced by KMP	Total Amount (in Rs)
1	Loan Outstanding	NIL (NIL)	NIL (NIL)	10,01,03,229 (9,51,06,512)	10,01,03,229 (9,51,06,512)
2	Advances Outstanding	NIL (NIL)	6,40,31,770 (5,51,61,191)	NIL (NIL)	6,40,31,770 (5,51,61,191)
3	Deposits Payable	NIL (NIL)	1,50,00,000 (1,50,00,000)	NIL (NIL)	1,50,00,000 (1,50,00,000)
4	Partners Capital Accounts	1,00,000 (1,00,000)	NIL (NIL)	NIL (NIL)	1,00,000 (1,00,000)
5	Partners Current Accounts (**Dr**)	4,02,716 (3,85,153)	NIL (NIL)	NIL (NIL)	4,02,716 (3,85,153)

() indicates Previous Year Figures

4. The Firm is having a Joint Venture with Mohit Developers, operating as 'Shreyan Venture' as a Joint control operation in respect of construction of Buildings. The Revenue Sharing Proportion of the Firm from the said Joint control operation is 43.5%.

5. In compliance with the Accounting Standard–22 “Accounting for Taxes on Income” which has become mandatory, the Limited Liability Partnership has created Deferred Tax Assets (net) amounting to Rs 15,407 /- & the same has been credited to the Statement of Profit & Loss.

PARTICULARS	For the Period Ended 31st March 2017 Amount (in Rs)	For the Period Ended 31st March 2016 Amount (in Rs)
On Account of Preliminary Expenses	28,514	28,514
On Account of Business Loss	(43,922)	(33,482)
NET IMPACT	**(15,407)**	**(4,968)**
Deferred Tax Assets		
On Account of Preliminary Expenses	-	28,515
On Account of Business Loss	142,335	98,413
Deferred Tax Assets	**1,42,335**	**1,26,928**

Signature to Note 1 To 9 Attached

For M. L. SHARMA & CO
Firm Reg. No.109963W
Chartered Accountants

for Shreyan Infra & Power LLP

(C. H. BANDI) Partner
M. No. 5385

Partner **Partner**

Place: Mumbai
Date: May 29, 2017

Technocraft International Limited, UK.

Technocraft International Limited

Statement of Income and Retained Earnings

Year ended 31 March 2017

	2017 £	2016 £
Turnover	4,478,855	3,907,100
Cost of sales	4,302,477	3,738,093
Gross profit	176,378	169,007
Administrative expenses	112,031	148,998
Operating profit	64,347	20,009
Other interest receivable and similar income	647	452
Interest payable and similar expenses	27,934	42,422
Profit/(loss) before taxation	37,060	(21,961)
Tax on profit/(loss)	8,800	598
Profit/(loss) after taxation	28,260	(22,559)
Suspense Account	–	–
Profit/(loss) for the financial year and total comprehensive income	28,260	(22,559)
Retained earnings at the start of the year	180,879	203,438
Retained earnings at the end of the year	209,139	180,879

All the activities of the company are from continuing operations.

Technocraft International Limited

Statement of Financial Position

31 March 2017

	2017 £	£	2016 £
Fixed assets			
Tangible assets		301,999	308,479
Investments		36,000	36,000
		337,999	344,479
Current assets			
Stocks	840,280		1,508,895
Debtors	1,634,687		1,416,862
Cash at bank and in hand	23,791		421,043
	2,498,758		3,346,800
Creditors: amounts falling due within one year	1,183,302		2,073,101
Net current assets		1,315,456	1,273,699
Total assets less current liabilities		1,653,455	1,618,178
Creditors: amounts falling due after more than one year		84,995	86,778
Provisions			
Taxation including deferred tax		9,319	519
Net assets		1,559,141	1,530,881
Capital and reserves			
Called up share capital		1,350,002	1,350,002
Profit and loss account		209,139	180,879
Member funds		1,564,852	1,530,881

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on ...., and are signed on behalf of the board by:

S K Saraf
Director

Company registration number: 02806367

Technocraft Trading Spolka, Z.O.O., Poland.

Technocraft Trading Sp. z o.o.
P & L Accoun

Lp.	PERIOD:	01.01.2016-31.12.2016
A	**Net receipts from sales of products and equivalent to them**	**20,332,402.03**
	including: from associated units	*205,029.60*
I	Net receipts from sales of products	
II	Change in the condition of the products (increase – in value, decrease – negative value)	
III	Cost of producing goods for own needs of the unit	
IV	Net receipts from sale of goods and materials	20,127,372.43
B	**Costs of sales of products, goods and materials**	**19,550,908.56**
I	Depreciation	72,235.91
II	Consumption of materials and energy	58,666.29
III	Foreign services	609,891.45
IV	Taxes and fees including	105,071.36
	- excise duty	
V	Wages	598,224.29
VI	Social insurance and other disbursements	108,995.30
VII	Remaining generic costs	82,050.97
VIII	Value of sold goods and materials	17,915,772.99
C	**Profit (loss) from sales (A – B)**	**781,493.47**
D	**Other operating receipts**	**27,941.46**
I	Profit from sales of non-financial fixed assets	
II	Subsidies	
III	Other operating receipts	27,941.46
E	**Other operating costs**	**61,785.84**
I	Loss from sales of non-financial fixed assets	
II	Update of value of non-financial assets	
III	Other operating costs	61,785.84
F	**Profit (loss) from operating activities (C + D – E)**	**747,649.09**
G	**Financial receipts**	**19,763.15**
I	*Dividends and share in profit, including:*	
	including: from associated units	
II	Interests	19,763.15
	including: from associated units	
III	Profit from sale of investment	
IV	Current investment value	
V	Other (positive differences)	
H	**Financial costs**	**633,617.33**
I	Interests	74,601.43
	including: from associated units	
II	Loss from sales of investments	
III	Update of value of investments	
IV	Other (NEGATIVE DIFFERENCES)	559,015.90
I	**Profit (loss) includ. economic activity (F + G – H)**	**133,794.91**
J	**Result of extraordinary events (J.I. – J.II)**	**0.00**
I	Extraordinary profits	
II	Extraordinary losses	
K	**Gross profit (loss) (I ± J)**	**133,794.91**
L	**Income tax**	**92,749.00**
M	**Other compulsory deductions from profit (increase on loss)**	**5,085.19**
N	**Profit**	**35,960.72**

ASSETS		
No.	ITEM	31.12.2016r.
A	**Fixed Assets**	**1,441,975.31**
I	**Intangible assets**	**0.00**
1	R&D expenses	
2	Goodwill	
3	Other intangible assets	0.00
4	Advances for intangible assets	
II	**Tangible fixed assets**	**1,187,536.40**
1	Tangible fixed assets in use	1,187,536.40
	a) land (including right to perpetual usufruct)	903,929.34
	b) buildings, premises, civil and water engineering structures	281,598.40
	c) technical equipment and machines	0.00
	d) vehicles	0.00
	e) other tangible fixed assets	2,008.66
2	Tangible fixed assets under construction	
3	Advances for tangible fixed assets under construction	
III	**Long-term receivables**	**0.00**
1	From related parties	
2	From other entities	
IV	**Long-term investments**	**0.00**
1	Real property	
2	Intangible assets	
3	Long-term financial assets	0.00
	a) in related parties	0.00
	- shares	
	- other securities	
	- loans granted	
	- other long-term financial assets	
	b) in other entities	0.00
	- shares	
	- other securities	
	- loans granted	
	- other long-term financial assets	
4	Other long-term investments	
V	**Long-term prepayments**	**254,438.91**
1	Deferred tax assets	254,438.91
2	Other prepayments	
B	**CURRENT ASSETS**	**12,967,208.43**
I	**Inventory**	**4,682,856.53**
1	Materials	
2	Semi-finished products and work in progress	
3	Finished products	
4	Goods	4,682,856.53
5	Advances for deliveries	
II	**Short-term receivables**	**4,148,061.19**
1	Receivables from related parties	168,665.00
	a) trade receivables, maturing:	168,665.00
	- up to 12 months	168,665.00
	- above 12 months	
	b) other	
2	Receivables from other entities	3,979,396.19
	a) trade receivables, maturing:	3,625,032.51
	- up to 12 months	3,625,032.51
	- above 12 months	
	b) receivables from tax, subsidy, customs, social security and other benefits	354,363.68
	c) other	
	d) claimed at court	
III	**Short-term investments**	**4,118,941.54**
1	Short-term financial assets	4,118,941.54
	a) in related parties	0.00
	- shares	
	- other securities	
	- loans granted	
	- other short-term financial assets	
	b) in other entities	0.00
	- shares	
	- other securities	
	- loans granted	
	- other short-term financial assets	
	c) cash and other pecuniary assets	4,118,941.54
	- cash in hand and at bank	4,118,941.54
	- other cash	
	- other pecuniary assets	
2	Other short-term investments	
IV	**Short-term prepayments**	**17,349.17**
	TOTAL ASSETS	**14,409,183.74**

LIABILITIES		
No.	**ITEM**	**31.12.2016r.**
A	**EQUITY**	**1,356,126.93**
I	Share capital	2,250,000.00
II	Called up share capital (negative value)	
III	Own shares (negative value)	
IV	Supplementary capital	
V	Revaluation reserve	
VI	Other reserve capitals	
VII	Previous years profit (loss)	(929,833.79)
VIII	Net profit (loss)	35,960.72
IX	Write-off on net profit during the financial year (negative value)	
B	**LIABILITIES AND PROVISIONS FOR LIABILITIES**	**13,053,056.81**
I	**Provisions for liabilities**	**0.00**
1	Provision for deferred income tax	
2	Provision for retirement and similar benefits	0.00
	- long-term	
	- short-term	
3	Other provisions	0.00
	- long-term	
	- short-term	
II	**Long-term liabilities**	**0.00**
1	To related parties	0.00
2	To other entities	0.00
	credits and loans	
	arising from issuance of debt securities	
	other financial liabilities	
	other	
III	**Short-term liabilities**	**13,053,056.81**
1	To related parties	6,263,768.83
	trade liabilities, maturing:	6,263,768.83
	- up to 12 months	6,227,121.92
	- above 12 months	36,646.91
	b). Other	
2	To other entities	6,789,287.98
	credits and loans	5,024,616.76
	arising from issuance of debt securities	
	other financial liabilities	
	trade liabilities, maturing:	1,694,588.68
	- up to 12 months	1,694,588.68
	- above 12 months	
	received advances for deliveries	31,370.72
	bill-of-exchange liabilities	
	tax, customs, insurance and other liabilities	38,711.82
	payroll liabilities	
	other	
3	Special funds	
IV	**Accruals**	**0.00**
1	Negative goodwill	
2	Other accruals	0.00
	- long term	
	- short term	
	TOTAL LIABILITIES	**14,409,183.74**

Technocraft Australia Pty Limited,

Australia.

TECHNOCRAFT AUSTRALIA PTY LTD

A.B.N. 89 119 021 975

FINANCIAL STATEMENTS – 31 March 2017

CONTENTS

TECHNOCRAFT AUSTRALIA PTY LTD

A.B.N. 89 119 021 975

DIRECTOR'S REPORT - 31 March 2017

Your directors present this report on the financial accounts of the company for the financial year ended 31st March 2017.

The following persons hold office as director at the date of this report:-

Mr Navneet Sharaf, Director
Mr Ashok Amin, Director & Secretary

OPERATING RESULTS
The company made an operating profit for the year of $156,661.96 after deducting income tax expenses of $59,567.64. (2016 $331,578.94 after income tax of $99473.70)

ACTIVITIES
The principal activity of the company during the financial year consisted of importing and sale of scaffoldings, pipe, etc.

There were no significant changes in the nature of these activities during the year.

AUDITORS
Your directors recommend that no auditor be appointed at the forthcoming annual general meeting, because in their opinion, it is not necessary to have the company's accounts audited.

DIVIDENDS
No dividend was paid or declared since the start of the financial year.

OPTIONS
No options to shares in the company have been granted during the financial year and there were no options outstanding at the end of the financial year.

INDEMNITIES
The company has not, during or since the financial year, in respect of any person who is or has been an officer of the company

* indemnified or made the relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings, or

* paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

TECHNOCRAFT AUSTRALIA PTY LTD

A.B.N. 89 119 021 975

DIRECTOR'S REPORT - 31 March 2017

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the company has received or become entitled to received a benefit (other than fixed salary as a full time employee) by reason of a contract made by the company with the director, a firm of which he is a member, or an entity in which he has a substantial financial interest.

Signed at **PADSTOW** this 24th day of April 2017
in accordance with the resolution of the directors.

....

DIRECTOR

TECHNOCRAFT AUSTRALIA PTY LTD

A.B.N. 89 119 021 975

ACCOUNTS - 31 March 2017

DIRECTORS' DECLARATION

The directors have determined that the company is not a reporting entity. The directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the accounts.

In the opinion of the directors:-

(a) the accounts of the company set out on pages 6 to 9 are drawn up so as to give a true and fair view of the state of the company's affairs as at 31st March 2017 and of its results for the year ended on that date;

(b) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

Signed at **PADSTOW** this 24th day of April 2017 in accordance with the resolution of the directors.

....

DIRECTOR

TECHNOCRAFT AUSTRALIA PTY LTD

A.B.N. 89 119 021 975

COMPILATION REPORT

To: Technocraft Australia Pty Ltd ("the client")

We have compiled the accompanying special purpose financial statements of the client for the year ended 31 March, 2017.

The specific purpose for which the special purpose financial report has been prepared is to provide information relating to the performance and financial position of the business that satisfies the information needs of the client.

The responsibility of the client

The client is solely responsible for the information contained in the special purpose financial report, the reliability, accuracy and completeness of the information and has determined that the basis of accounting used is appropriate to meet its needs and for the purpose for which the financial report was prepared.

Our responsibility

On the basis of information provided by the client, we have compiled the accompanying special purpose financial statements for the year ended 31 March, 2017 in accordance with the basis of the accounting described in Note to the financial statements. We have complied with the relevant ethical requirements of APES 315 "Compilation of Financial Information."

We have applied professional expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in the notes to the financial statements. We have complied with the required ethical requirements of APES 110 "Code of Ethics for Professional Accountants"

Assurance Disclaimer

Since the compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy, or completeness of the information provided to us by the client to compile these financial statements. Accordingly we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial report was prepared exclusively for the benefit of the client who is responsible for the reliability, accuracy and completeness of the information used to compile hem. We do not accept responsibility to any other person for the contents of the special purpose financial report.

GOKANI & ASSOCIATES, CPAs
1ST Floor, 96 Cahors Road, PADSTOW NSW 2211

....

Kantilal Ratanshi Gokani (Partner)
24 April, 2017

TECHNOCRAFT AUSTRALIA PTY LTD

A.B.N.89 119 021 975

STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH, 2017

2016		2017
331,578.94	OPERATING PROFIT before tax	216,229.60
99,473.70	Income tax applicable thereto	59,567.64
232,105.24	OPERATING PROFIT for the year	156,661.96
686,856.06	RETAINED PROFIT B/F	918,961.30
918,961.30	RETAINED PROFIT at year end	1,075,623.26
$918,961.30	RETAINED PROFIT c/f	$1,075,623.26

Public officer*..................

THESE ACCOUNTS ARE UNAUDITED

PLEASE REFER TO THE COMPILATION REPORT

TECHNOCRAFT AUSTRALIA PTY LTD

A.B.N.89 119 021 975

STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH, 2017

2016			2017
	CURRENT ASSETS		
	Cash:		
68,244.46	Cash at bank	17,809.43	
45.75	Cash on hand	315.58	
	Receivables:		
3,399,534.81	Trade debtors (per schedule)	2,847,835.79	
66,374.00	Other debtors	42,353.00	
1,083,330.21	Inventories	1,641,762.87	
------------		------------	
4,617,529.23	TOTAL CURRENT ASSETS		4,550,076.67
	NON-CURRENT ASSETS		
15,804.68	Motor vehicle (at cost)	15,804.68	
9,196.52	Accumulated depreciation	10,645.74	
------------		------------	
$6,608.16		$5,158.94	
============		============	
50,692.22	Plant & equipment (at cost)	50,692.22	
9,956.82	Accumulated depreciation	18,788.87	
----------		----------	
$40,735.40		$31,903.35	
==========		==========	
47,343.56	TOTAL NON-CURRENT ASSETS		37,062.29
-------------			-------------
$4,664,872.79	TOTAL ASSETS		$4,587,138.96
=============			=============
	Creditors and borrowing:		
2,610,201.32	Trade creditors	2,570,787.35	
496,599.44	CBA Loan	619,624.19	
260,550.60	Other creditors	9,153.52	
61,032.43	BAS Payable	34,329.00	
99,473.70	Income tax	59,567.64	
------------		------------	
3,527,857.49	TOTAL CURRENT LIABILITIES		3,293,461.70
	NON-CURRENT LIABILITIES		
------------			------------
3,527,857.49	TOTAL LIABILITIES		3,293,461.70
-------------			-------------
$1,137,015.30	NET ASSETS		$1,293,677.26
=============			=============
	SHAREHOLDERS EQUITY		
	Share capital:		
218,054.00	218054 shares		218,054.00
918,961.30	RETAINED PROFIT		1,075,623.26

Public officer*...............

THESE ACCOUNTS ARE UNAUDITED
PLEASE REFER TO THE COMPILATION REPORT

TECHNOCRAFT AUSTRALIA PTY LTD

A.B.N.89 119 021 975

STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH, 2017

2016		2017
$1,137,015.30	TOTAL SHAREHOLDERS' FUND	$1,293,677.26

Public officer*.................

THESE ACCOUNTS ARE UNAUDITED

PLEASE REFER TO THE COMPILATION REPORT

NOTES TO AND FORMING PART OF THE ACCOUNTS

YEAR ENDED 31 March 2017

1. STATEMENT OF ACCOUNTING POLICY

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members of the company.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of these statements are as follows.

2. INCOME TAX

The income tax expense for the year comprises current income tax expense and deferred tax expense when applicable.

Current income tax expense charged to the profit and loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax assets and deferred tax liability balances during the year as well as unused tax losses. This did not apply in the year.

Current and deferred income tax expense is charged or credited outside profit or loss when the tax relates to items that are charged outside profit or loss.

3. INVENTORIES

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

4. PROPERTY, PLANT AND EQUIPMENT

These are depreciated over their useful lives to the company Property, plant and equipment are carried at cost. All assets are depreciated over their useful lives to the company.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturity of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheets.

6. REVENUE AND OTHER INCOME

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Interest Revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percent of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

These notes should be read in conjunction with the attached compilation report of Gokani & Associates, CPA's

....**Public Officer**

TECHNOCRAFT AUSTRALIA PTY LTD
A.B.N.89 119 021 975

DETAILED STATEMENT of COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH, 2017

2016			2017
10,145,622.60	GROSS SALES		7,883,645.52
	Less		
	COST OF SALE		
652,224.72	Opening stock	1,083,330.21	
8,496,885.64	Purchases	6,919,177.92	
610,089.44	Freight, forwarding & customs	403,157.83	
92,560.71	Packing & repainting	30.99	
150,210.45	Commission	152,500.00	
-------------		------------	
10,001,970.96		8,558,196.95	
1,083,330.21	Less closing stock	1,641,762.87	
-------------		------------	
8,918,640.75	Cost of sales		6,916,434.08
-------------			------------
1,226,981.85	GROSS PROFIT		967,211.44
	Less		
	EXPENDITURE		
11,600.00	Accountancy	12,650.00	
2,924.73	Advertising and promotion	3,359.73	
29,627.12	Bank charges	68,148.30	
6,417.57	Bad debts	113,023.97	
1,601.80	Cleaning	1,611.90	
352,400.35	Consultancy	51,391.00	
150.00	Computer expenses	0.00	
5,391.73	Depreciation	8,832.05	
379.09	Depreciation immediate w/off	0.00	
180.00	Donations	165.00	
2,093.99	Fees and licences	1,988.31	
3,019.38	Fringe benefits tax	3,019.39	
0.00	Forex loss	16,649.75	
0.00	Fines	380.00	
11,079.56	Insurance	11,338.73	
2,692.53	Interest charges	17,067.68	
3,235.20	Internet expenses	3,410.96	
56,187.39	Legal fees	59,785.98	
5,591.68	Light and power	5,548.55	
7,165.49	Motor vehicle expenses	5,848.74	
1,408.23	Printing & stationery	1,002.62	
150.81	Postage	157.18	
129,409.06	Rent	151,317.66	
9,864.42	Repairs & maintenance	4,017.03	
256,787.00	Salaries wages and allowances	291,219.40	
8,235.85	Staff visa expenses	3,000.00	
480.00	Security expenses	480.00	
24,429.00	Superannuation contributions	27,575.39	
1,560.25	Staff amenities	1,293.05	

Public officer*..............

THESE ACCOUNTS ARE UNAUDITED
PLEASE REFER TO THE COMPILATION REPORT

TECHNOCRAFT AUSTRALIA PTY LTD

A.B.N.89 119 021 975

DETAILED STATEMENT of COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH, 2017

2016			2017
2,750.00	Staff training	0.00	
2,363.74	Telephone	2,467.14	
28,129.07	Travel & fares	8,491.97	
967,305.04			875,241.48
259,676.81	OPERATING PROFIT for period		91,969.96
71,902.13	Interest received		124,259.64
$331,578.94	TOTAL OPERATING PROFIT		$216,229.60

Public officer*..................

THESE ACCOUNTS ARE UNAUDITED

PLEASE REFER TO THE COMPILATION REPORT

Anhui Reliable Steel Company Limited, China.

Report of the Auditors

ChuHengShenZi[2017]NO.079

All the shareholders of ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD:

We have audited the financial statements of ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD (hereinafter referred to as "the company"), including the balance sheet by December 31, 2016 and the profit statement, cash flow statement, statement of equity changes and notes to the financial statements of 2016.

I. Responsibilities of management

The directors of the company are responsible for the preparation and fair presentation of these financial statements. Such responsibilities include the following: (1) Prepare and fair present the financial statements in compliance with Accounting Standards for Business Enterprises and Accounting Systems for Business Enterprises; (2) Design, execute and maintenance of financial statements and related internal controls, so there is no material misstatement due to fraud or error.

II. Responsibilities of auditors

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with Chinese Certified Public Accountants Auditing Standards. Those standards require us to comply with the professional ethics and to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes the implementation of auditing procedures to obtain evidence relevant to the amounts and disclosures in the financial statements. The auditing procedures selected depend on the auditor's professional judgment, including the risk assessment on the material misstatement of the financial statements due to fraud or error. Following a risk assessment, we are considering the internal controls related to the preparation and fair presentation of financial statements to design appropriate audit procedures. But the purpose is not to express our views on the effectiveness of internal controls. An audit also includes assessing the reasonableness of the accounting policies and accounting estimates selected by the management, as well as evaluating the overall financial statement presentation.

We believe that our audit obtained sufficient and adequate evidence to provide the basis for our opinion.

III. Audit opinion

In our opinion, the company's financial statements presented fairly, in all material respects, the financial position of the company by December 31, 2016 and the results of its operations and its cash flows of 2016, in conformity with Accounting Standards for Business Enterprises and Accounting Systems for Business Enterprises.

Chuzhou Heng Li Xin Certified Public Accountants Office

Chuzhou · China

Certified Public Accountant: 唐 月

Certified Public Accountant: 程秀梅

341001590012

February 27, 2017

Balance Sheet

12-31-16

Name of enterprise: ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD

Unit: RMB Yuan

ASSETS	NO.	Beginning balance	Ending balance	Liabilities and owners' equity	NO.	Beginning balance	Ending balance
Current assets:	1			**Current liability:**	36		
Cash	2	2,445,444.97	3,285,132.17	Short-term borrowings	37	36,288,792.00	36,128,890.00
Transaction financial assets	3			Transaction financial liabilities	38		
Notes receivable	4	200,000.00	1,014,654.00	Notes payable	39		
Accounts receivable	5	15,034,681.29	17,614,834.57	Accounts payable	40	6,142,151.38	6,240,298.53
Prepayments	6	821,984.84	2,798,266.68	Advance receipts	41	165,576.73	7,100.00
Interest accrued	7			Employee pay payable	42	1,475,458.52	1,456,599.81
Dividend receivable	8			Taxes payable	43	889,709.01	838,154.23
Other receivables	9	70,783.00	77,038.85	Accrued Interest Payable	44	157,469.74	747,190.51
Inventories	10	12,013,868.51	10,958,768.59	Dividends payable	45		
Current portion of non-current assets	11			Other payables	46	235,308.24	13,939.80
Other current assets	12		303,892.63	Non-current liabilities due within one year	47		
Total current assets	13	**30,586,762.61**	**36,052,587.49**	Other current liabilities	48		
Non-current assets:	14			**Total current liabilities**	49	**45,354,465.62**	**45,432,172.88**
Financial assets available for sale	15			Non-current liabilities:	50		
Held-to-maturity investments	16			Long-term loans	51		
Long-term account receivable	17			Bonds payable	52		
Long-term equity investments	18			Deferred income	53		
Investment properties	19			Special payable	54		
Fixed assets	20	30,457,373.83	30,981,368.55	Accrued liabilities	55		
Minus: accumulated depreciation	21	8,483,672.05	10,630,590.82	Deferred income tax liabilities	56		
Net value of fixed assets	22	21,973,701.78	20,350,777.73	Other non-current liabilities	57		
Construction in progress	23		974,488.19	**Total non-current liabilities**	58		
Construction materials	24			**Total liabilities**	59	**45,354,465.62**	**45,432,172.88**
Liquidation of fixed assets	25			Owners' equity:	60		
Productive biological assets	26			Paid-up capital	61	15,129,621.98	15,129,621.98
Oil And Gas Assets	27			Capital reserves	62		
Intangible assets	28	2,152,128.00	2,103,216.00	Special reserves	63		
Development expenditure	29			Minus: treasury stock	64		
Goodwill	30			Surplus reserves	65		
Long-term deferred expenses	31	128,365.08	52,689.54	Undistributed profits	66	-5,643,130.13	-1,028,035.91
Deferred income tax assets	32			**Total owners' equity**	67	**9,486,491.85**	**14,101,586.07**
Other non-current assets	33				68		
Total non-current assets	34	**24,254,194.86**	**23,481,171.46**		69		
Total assets	35	**54,840,957.47**	**59,533,758.95**	**Total liabilities and owners' equity**	70	**54,840,957.47**	**59,533,758.95**

(The accompanying notes constitute an integral part of these financial statements)

Legal Representative: **General Manager Of Accounting：** **Chief Financial Officer:**

STEEL TECHNOLOGY

Income Statement

Year 2016

Name of enterprise: ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD **Unit: RMB Yuan**

Item	NO.	Last Year	This Year
I. Revenue	1	84,839,876.30	74,442,964.23
Minus: Operating costs	2	77,678,199.92	59,352,351.41
Business taxes and surcharges	3	225,741.33	457,678.79
Selling expenses	4	3,093,354.27	2,691,704.08
General and administrative expenses	5	5,215,575.85	5,665,716.14
Financial expenses	6	2,449,505.75	2,200,124.74
Asset impairment losses	7		100,000.00
Plus: Changes of fair value of assets	8		
Investment income	9		
Include: Income from associates	10		
II. Operating profit	11	**-3,822,500.82**	**3,975,389.07**
Plus: Non-operating income	12	373,279.36	753,419.18
Minus: Non-operating expense	13	271,762.41	
Include: Losses on disposal of non-current assets	14		
III. Total profits	15	**-3,720,983.87**	**4,728,808.25**
Minus: Income tax expenses	16		113,714.03
IV. Net profit	17	**-3,720,983.87**	**4,615,094.22**
V. Earnings per share	18		
(1)Basic EPS	19		
(2) Diluted EPS	20		

(The accompanying notes constitute an integral part of these financial statements)

Legal Representative: **General Manager Of Accounting:** **Chief Financial Officer:**

Statement of Cash Flows

Year 2016

Name of enterprise: ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD

Unit: RMB Yuan

Item	NO.	Last Year	This Year
I. Cash flow from operations	1		
Cash received from sales of goods or rendering services	2	79,345,927.20	74,938,996.34
Refunds of taxes	3	995,613.68	608,178.55
Cash received relating to other operating activities	4	294,533.05	744,214.75
Sub-total of cash inflows from operating activities	5	**80,636,073.93**	**76,291,389.64**
Cash paid for goods or receiving services	6	57,590,692.59	53,049,199.69
Cash paid to and on behalf of employees	7	12,820,165.28	11,723,408.89
Tax payments	8	2,580,383.51	2,289,341.39
Cash paid relating to other operating activities	9	3,313,709.71	2,950,870.53
Sub-total of cash outflows from operating activities	10	**76,304,951.09**	**70,012,820.50**
Net cash flow from operating activities	11	**4,331,122.84**	**6,278,569.14**
II. Cash flows from investment activities:	12		
Cash received from disposal of investments	13		
Cash received from investments income	14		
Net cash received from disposal of fixed assets intangible assets and other long-term assets	15	100,860.60	
Cash received relating to other investing activities	16		
Sub-total of cash inflows from investing activities	17	**100,860.60**	
Cash paid to acquire fixed assets intangible assets and other long-term assets	18	3,127,523.56	3,105,594.32
Cash paid to acquire investments	19		
Cash payments relating to other investing activities	20		
Sub-total of cash outflows from investing activities	21	**3,127,523.56**	**3,105,594.32**
Net cash flow from investing activities	22	**-3,026,662.96**	**-3,105,594.32**
III. Cash flows from financing activities:	23		
Cash from absorption of investments	24		
Receipts from loan	25	25,430,000.00	26,530,000.00
Cash received relating to other financing activities	26		
Sub-total of cash inflows from financing activities	27	**25,430,000.00**	**26,530,000.00**
Repayments of financial institution borrowings	28	22,368,610.00	27,120,000.00
Dividends paid, profit distributed or interest paid	29	3,508,520.64	1,743,287.62
Cash payments relating to other financing activities	30		
Sub-total of cash outflows from financing activities	31	**25,877,130.64**	**28,863,287.62**
Net cash flow from financing activities	32	**-447,130.64**	**-2,333,287.62**
IV. Effect of foreign currency translation	33		
V. Net increase in cash and cash equivalents	34	**857,329.24**	**839,687.20**
Plus: Opening balance of cash and cash equivalents	35	**1,588,115.73**	**2,445,444.97**
VI. Ending balance of cash and cash equivalents	36	**2,445,444.97**	**3,285,132.17**

(The accompanying notes constitute an integral part of these financial statements)

Legal Representative: **General Manager Of Accounting:** **Chief Financial Officer:**

Statement of Equity Changes

Name of enterprise: ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD **Unit: RMB Yuan**

Item	NO.	2015-12-31						2016-12-31					
		paid-up capital	Capital Reserve	Less: Treasury share	Surplus Reserve	Undistributed Profits	Total Qwner's Equity	paid-up capital	Capital Reserve	Less: Treasury share	Surplus Reserve	Undistribute d Profits	Total Qwner's Equity
I. Balance at end of last year	1	15,129,621.98				-983,366.85	14,146,255.13	15,129,621.98				-4,739,974.73	10,389,647.25
Plus: Changes in accounting policies	2												
Corrections of prior period errors	3					-35,624.01	-35,624.01					903,155.40	903,155.40
II. Opening balance of this year	4	15,129,621.98				-1,018,990.86	14,110,631.12	15,129,621.98				-5,643,130.13	9,486,491.85
III. Increases and Decreases of This Year	5					-3,720,983.87	-3,720,983.87					4,615,094.22	4,615,094.22
(i) Net profits	6					-3,720,983.87	-3,720,983.87					4,615,094.22	4,615,094.22
(ii) Gains and losses directly recorded into the wwner's equities	7												
1. Net change in fair value of financial assets available for sale	8												
2. Effect of changes of other owner's equities of invested company according to equity method	9												
3. Effect on the income taxes related to items recorded into the qwner's equities	10												
4. Others	11												
Subtotal of (i) and (ii)	12					-3,720,983.87	-3,720,983.87					4,615,094.22	4,615,094.22
(iii) Capital invested and reduced by the owners	13												
1. Owners' devoted capital	14												
2. Amount of share-based payments recorded into the owner's equities	15												
3. Others	16												
(iv)Profits distribution	17												
1. Withdrawal surplus reserves	18												
2. Distribute to owners (or shareholders)	19												
3. Others	20												
(v)Internal carry-forward of owners' equities	21												
1. Capitalized capital (or stock) reserves	22												
2. Capitalized surplus (or stock) reserves	23												
3. Surplus reserves make-up losses	24												
4. Others	25												
Ⅳ. Ending balance of this year	26	**15,129,621.98**				**-4,739,974.73**	**10,389,647.25**	**15,129,621.98**				**-1,028,035.91**	**14,101,586.07**

Legal Representative: **General Manager Of Accounting:** **Chief Financial Officer:**

ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR 2016

I. Company profile

ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD is a foreign-invested enterprise founded in April, 2008. The company is authorized by "CERTIFICATE OF APPROVAL FOR ESTABLISHMENT OF ENTERPRISES WITH FOREIGN INVESTMENT IN THE PEOPLE'S REPUBLIC OF CHINA"(WaiZiWanFuZi[2008]NO.71) granted by the government of Anhui province, and hold the business license (Unified Social Credit Code: 91341100672646031Q) issued by Chuzhou Industry & Commerce Administration Bureau. The company's investor is TECHNOCRAFT INDUSTRIES（INDA）, and the registered capital is 2.25 million U.S. dollars.

Operating period: 49 years.

Business scope: Manufacture and sell drum seal and false work (operate according to the related certificates).

Company address: Quanjiao Comprehensive Economic Developing Zone, Anhui Province, China.

Legal representative: MISHRA DEEPAK

II. Explanations on the important accounting policies and accounting estimates

1. The accounting standards and system currently executed by the company

The company's financial statements executes the "Accounting Standards for Business Enterprises", and promise to give a true and complete reflection of the financial condition, operating results and cash flow.

2. The basis of financial statement

Under the assumption of continuous operating, the company affirm and calculate the actual transactions according to the "Accounting Standard for Business Enterprises: Basic Standard" and other items of accounting standard. These are the ground of the company's financial statements.

3. Fiscal period

There are two kinds of fiscal period: annual and interim. The fiscal annual starts from January 1 to December 31 of each calendar year, while the interim period include monthly, quarter and semi-annual.

4. Bookkeeping currency and foreign currency accounting

The company adopts RENMINBI(RMB) as currency used in bookkeeping.

As for the foreign currency transaction, the accounting method is to convert the foreign currency into RMB based on the spot rate of the transaction day. As for the conversion of monetary items on the balance sheet date, the spot rate on the balance sheet date is adopted. Exchange differences, which arising from the difference between the spot rate on the balance sheet date and the spot rate on the former balance sheet date or the first confirmation date, is the exchange gains and losses of foreign currency loans related to fixed assets purchase, and the accounting shall capitalization the borrowing costs. In addition, the costs shall be contained in the long-term deferred expenses if it incurred in the construction period, while it shall be contained in the finance costs if related to the company's operation.

5. Bookkeeping basis and pricing principle

The company adopts the accrual basis and the debit-credit bookkeeping as accounting principles. And assets are measured at their historical cost.

6.Recognition criteria of cash equivalents

Cash equivalents are short-term (mature within three months) and highly liquid investments, which can easily convert into knowable amounts of cash and subject to an insignificant risk of vale change.

7. The checking and calculating of bad receivables

(1) Criteria for recognition of bad debts

① The debtor is bankrupt or dead while the accounts receivable is not recoverable by the debtor's bankrupt property or inheritance;

② There are significant signs that indicate the matured debts cannot be taken back.

Above receivables should be ratified by the board as bad debts.

(2) Method on bad debts calculation: The allowance method.

8. Accounting method on inventory

(1) Classification of inventory

The inventories of the company include raw materials, packaging materials, low-value consumable items, finished products, unfinished products etc.

(2) Measurement of inventories' prices

The inventories obtaining are priced at the actual cost, while the inventories sending out are priced with the weighted average method. The low-value consumable items and packaging materials are amortized by immediate write-off method when consumed. The calculation of products' cost is under the species-classification method. The merchandise inventories are priced at the actual cost, while priced according to the weighted average method at the time of sending off.

(3) Recognition and measurement for inventory impairment provision

The final inventory is priced at the smaller amount between the cost and the net realizable value. The reserves for devaluation is calculated based on individual item of inventory, and then included in the current profit and loss.

9. Valuation, depreciation policy and depreciation reserves for fixed asset

(1) Identifying fixed asset

① Fixed asset represents the kind of building, mechanical equipment, vehicle and other operational appliances that is capable to serve for more than one year;

② Or main appliance and article, irrelevant to production or operation, whose unit price is over 2,000 RMB and survive no less than two years.

(2) The recognition criteria and calculation method of fixed assets' valuation and depreciation reserves

The fixed assets are priced at the actual cost in the obtaining time. At the end of each year, the company checked the fixed assets items by items, and the depreciation reserve is equal to the recoverable amount minus the book value. The depreciation reserve for fixed asset, booked by individual, would be included in current profit and loss.

(3) Depreciation methods for fixed asset:

The depreciation of fixed assets is calculated with the straight-line method. Fixed assets' life spans are determined by their classification, while the residue rate is 10%. There are kinds of fixed assets with various depreciation life and yearly depreciation:

Category	Life Span (Year)	Residue Rate (%)
House and Building	20	5
Mechanical equipment	10	5
Office Equipment	3－5	5

Vehicle	4	5

10. Accounting method on construction-in-progress

Construction-in-progress is booked according to the actual expenditures, and shall be accounted as fixed asset when its workable condition is reached. Comprehensive evaluation on construction-in-progress would be taken at the end of each year. If evidences show that construction-in-progress is decrease in value, then the reduction should be recognized as depreciation reserves and included in the current profit and loss. Besides, the reserves for devaluation booked in an individual way.

11. Valuate and amortize intangible asset

(1) The intangible asset is priced at the actual cost when obtaining

(2) The intangible assets amortized evenly in the period prescribed by law. If no such legal requirement existed, the own-decided amortization year should be less than 10 years.

(3) Intangible assets' provision for impairment: At the end of each year, the company evaluates the economic capability of all the intangible assets. For assets whose expected recoverable amount below its book value, the devaluation should be reserved and included in the current profit and loss. Besides, the reserves for devaluation booked in an individual way.

12. Principle of revenue recognition

Revenue is recognized when products' ownership have transferred to the customer, and the company have got the rewards or the relevant rights. Specifically, revenue shall be recognized when all the following conditions have been satisfied::

(1) The significant risks and rewards related to the ownership of the goods have been transferred to the buyer;

(2) The Company retains no continuous right of management that associated with the ownership, nor the right of control over the sold goods;

(3) The Company could receive the economic benefits associated with the transaction;

(4) The amount of revenues and costs can be measured reliably.

Other revenues get recognized when the service is finished and the charge(credential for charge) is received.

13. Governmental subsidy

For the governmental subsidy that related to profit, if it is used for compensate the afterward expense or loss, then subsidy would be included in profit and loss in the expense-accounting period; if the subsidy is used for compensate expense or loss in earlier stage, then subsidy would be included in current profit and loss.

For those governmental subsidy that related to property, it shall be recognized as deferred income and included in the current profit and loss directly.

14. Tax

Categories of taxes and their rate are listed as follows:

(1) Added-value tax: the rate of output tax is 17%;

(2) Urban construction tax: 5% of the amount of circulation tax;

(3) Extra charges of education funds: 3% of the amount of circulation tax;

(4) Local extra charges of education funds: 2% of the amount of circulation tax;

(5) Income tax: adopt the tax payable accounting method.

III. Significant changes of accounting policies and accounting estimates; Corrections of prior period errors.

None.

IV. Contingencies

None.

V. Notes of the financial statement:

1. Monetary assets

Item	Opening Balance	Ending balance
Cash	7, 996. 79	146, 952. 68
Cash in bank	2, 437, 448. 18	3, 138, 179. 88
Total	2, 445, 444. 97	3, 285, 132. 56

2. Notes receivable

Debtors' names	Ending balance	Business content	Remark
Ningbo East Seacoast Packing Co., Ltd.	436, 254. 00	Paid by banker's acceptance bill	Six months
JFE Steel Drum (Chongqing) Co., Ltd.	278, 400. 00	Paid by banker's acceptance bill	Six months

Yantai Guoxin Packing Products Co., Ltd.	150, 000. 00	Paid by banker's acceptance bill	Six months
CPMC Holdings Limited (Kunshan)	100, 000. 00	Paid by banker's acceptance bill	Six months
Jiangsu Zhongchuantongda Line Facility Products Co., Ltd.	50, 000. 00	Paid by banker's acceptance bill	Six months
Total	1, 014, 654. 00		

3. Account receivable

(1) Aging analysis

Aging	Beginning of the year			End of the year		
	Amount	Proportion	Bad debt reserves	Amount	Proportion	Bad debt reserves
Within one year	15, 034, 681. 29	100%		17, 600, 930. 57	99. 92%	
One to three years				13, 904. 00	0. 08%	
Total	15, 034, 681. 29	100%		17, 614, 834. 57	100%	

(2) Principal debtors

No.	Debtors' name	Ending balance	Reason	Aging
1	HIGHMARK INTERNATIONAL TRADING	11, 698, 649. 71	Payment for goods	Within one year
2	Taicang SFZT Drum Co., Ltd.	769, 200. 10	Payment for goods	Within one year
3	Ningbo Jilong Steel Co., Ltd.	595, 060. 00	Payment for goods	Within one year
4	Wuxi SFZT company limited by shares	576, 040. 00	Payment for goods	Within one year
5	Tiangjin CPMC Drum Co.,	528, 000. 00	Payment for goods	Within one year

	Ltd.			

4. Prepayment

(1) Aging and proportion analysis

Aging	Beginning of the year			End of the year		
	Amount	Proportion	Bad debt reserves	Amount	Proportion	Bad debt reserves
Within one year	791, 985. 44	96. 35%		2, 768, 667. 28	95. 53%	
One to three years	29, 999. 40	3. 65%		129, 599. 40	4. 47%	100, 000. 00
Above three years						
Total	821, 984. 84	100%		2, 898, 266. 68	100%	100, 000. 00

(2) Principal debtors

No.	Debtors' name	Ending balance	Reason	Aging
1	Anhui Fanya Constructional Engineering Co., Ltd.	1, 176, 000. 00	Advance payment	Within one year
2	Wuxi Jiajitong Metals-trading Co., Ltd.	506, 465. 20	Advance payment	Within one year
3	Jiangsu Zhongchuantongda Line Facility Products Co., Ltd.	266, 923. 80	Advance payment	Within one year
4	Cangzhou Weisitai Scaffolding Co., Ltd.	191, 020. 16	Advance payment	Within one year

5. Other receivables

(1) Aging analysis

Aging	Beginning of the year			End of the year		
	Amount	Proportion	Bad debt reserves	Amount	Proportion	Bad debt reserves
Within one year	8, 783. 00	12. 41%		12, 038. 85	15. 63%	

One to three years				5, 000. 00	6. 49%	
Above three years	62, 000. 00	87. 59%		60, 000. 00	77. 88%	
Total	70, 783. 00	100%		77, 038. 85	100%	

(2) Principal debtors

No.	Debtors' name	Ending balance	Reason	Aging
1	Quanjiao Administration of Power Supply	60, 000. 00	Guarantee deposit	Above three years
2	China Mobile Communication Corporation	4, 984. 00	Telephone Bill	With in one year
3	Quanjiao State-owned Investment & Operation Co., Ltd	4, 600. 00	Rent	With in one year

6. Inventory

(1) Item

Category	Beginning of the year		End of the year	
	Amount	Proportion	Amount	Proportion
Raw materials	3, 291, 860. 65	27. 40%	5, 492, 233. 48	50. 12%
Unfinished products	3, 182, 657. 94	26. 49%	46, 506. 53	0. 42%
Finished products	5, 539, 349. 92	46. 11%	5, 420, 028. 58	49. 46%
Total	12, 013, 868. 51	100%	10, 958, 768. 59	100%

(2) Capitalization of borrowing costs not exist in this period.

7. Other current assets

No.	Item	Beginning balance	Ending balance
1	VAT Payable		240, 714. 05
2	Input tax to be authenticated		316. 60
3	Input Tax to Be Deducted		62, 861. 98
	Total		303, 892. 63

8. Fixed assets

(1) Original value and accumulated depreciation

Item	Beginning balance	Increase for current period	Decrease for current period	Ending balance
① Original value:	30, 457, 373. 83	523, 994. 72		30, 981, 368. 55
(a) House and Building	16, 959, 863. 88			16, 959, 863. 88
(b) Mechanical equipment	12, 551, 506. 45	419, 239. 41		12, 970, 745. 86
(c) Electronic equipment	279, 031. 72	11, 934. 80		290, 966. 52
(d) Transportation vehicles	581, 166. 12	90, 598. 29		671, 764. 41
(e) Furniture and instrument	85, 805. 66	2, 222. 22		88, 027. 88
②Accumulated depreciation:	8, 483, 672. 05	2, 146, 918. 77		10, 630, 590. 82
(a) House and Building	3, 669, 383. 68	800, 304. 47		4, 469, 688. 15
(b) Mechanical equipment	4, 209, 272. 22	1, 209, 707. 37		5, 418, 979. 59
(c) Electronic equipment	170, 433. 65	47, 743. 86		218, 177. 51
(d) Transportation vehicles	388, 552. 33	76, 709. 70		465, 262. 03
(e) Furniture and instrument	46, 030. 17	12, 453. 37		58, 483. 54
③ Net value of fixed assets	21, 973, 701. 78	-1, 622, 924. 05		20, 350, 777. 73

(2) The ownership of the house buildings, on the company's usable land, have been mortgaged to the Quanjiao Sub-branch of Industrial and Commercial Bank of China for loans.

(3) In this period, none of the fixed assets were in idle mode or held for sale, neither did them belong to finance rent or operating lease.

9. Construction in progress

Item	Beginning balance	Increase for current period	Decrease for current period	Ending balance
Constructional Engineering		974, 488. 19		974, 488. 19
Total		974, 488. 19		974, 488. 19

10. Intangible assets

(1) Original value and accumulated amortization

Item	Beginning balance	Increase for current period	Decrease for current period	Ending balance
① Original value of intangible assets	2, 445, 600. 00			2, 445, 600. 00
Land usage right	2, 445, 600. 00			2, 445, 600. 00
②Accumulated amortization	293, 472. 00	48, 912. 00		342, 384. 00
Land usage right	293, 472. 00	48, 912. 00		342, 384. 00
③ Net value of intangible assets	2, 152, 128. 00	-48, 912. 00		2, 103, 216. 00

(2) The company's have the right of land-use on 32415.06 square meter, and this item's amortization period is 50 years.

(3) The ownership of the company's usable land have been mortgaged to the Quanjiao Sub-branch of Industrial and Commercial Bank of China for loans.

11. Long-term deferred expenses

Item	Beginning balance	Increase for current period	Amortization in current period	Ending balance

Mold expense	128, 365. 08	10, 122. 22	85, 797. 76	52, 689. 54
Total	128, 365. 08	10, 122. 22	85, 797. 76	52, 689. 54

12. Short-term borrowing

Lenders	Ending balance	Loan period	Rate of interest	Expired or not
TECHNOCRAFT INDUSTRIES（INDIA）	6, 728, 890. 00	Two Years		Not expired
Quanjiao Sub-branch of Industrial and Commercial Bank of China	12, 400, 000. 00	One year		Not expired
Shanghai Sub-branch of Citibank	17, 000, 000. 00	One year		Not expired
Total	36, 128, 890. 00			

Note: The ending balance of the loan from TECHNOCRAFT INDUSTRIES (INDIA) is 970, 000. 00 US dollars.

13. Account payable

(1) Aging analysis

Aging	Beginning of the year		End of the year	
	Amount	Proportion	Amount	Proportion
Within one year	6, 030, 596. 28	98. 18%	6, 064, 106. 67	97. 18%
One to three years	17, 117. 10	0. 28%	79, 019. 56	1. 27%
Above three years	94, 438. 00	1. 54%	97, 172. 30	1. 55%
Total	6, 142, 151. 38	100%	6, 240, 298. 53	100%

(2) Principal Creditors

No.	Creditors' name	Ending balance	Reason	Aging
1	TECHNOCRAFT INDUSTRIES（INDIA）	1, 616, 877. 11	Payment for goods	With in one year
2	Assess on materials expenses	1, 965, 862. 43	Payment for goods	With in one year

3	Chuzhou Xinyi Machinery Co., Ltd	597, 173. 94	Payment for goods	With in one year
4	Nanjing Hongye International Transport Co., Ltd	389, 720. 66	Payment for goods	With in one year
5	Chuzhou Changyun Transport Co., Ltd	344, 962. 00	Payment for goods	With in one year
6	Chuzhou Baichuanhuilong Power Switchgear Co., Ltd	228, 600. 38	Payment for goods	With in one year

14. Advances from customers

(1) Aging analysis

Aging	Beginning of the year		End of the year	
	Amount	Proportion	Amount	Proportion
Within one year	165, 576. 73	100%	7, 100. 00	100%
One to three years				
Total	165, 576. 73	100%	7, 100. 00	100%

(2) Principal Creditors

No.	Creditors' name	Ending balance	Reason	Aging
1	Suzhou Xiangcheng Xinfeng Steel Furniture Factory	7, 100. 00	Payment for goods	With in One year

15. Employee pay payable

Item	Beginning balance	Increase for current period	Decrease in current period	Ending balance
Wages payable	1, 536, 105. 80	10, 378, 306. 87	10, 393, 496. 68	1, 520, 915. 99
Labor insurance	-60, 647. 28	1, 465, 500. 61	1, 469, 169. 51	-64, 316. 18
Total	1, 475, 458. 52	11, 843, 807. 48	11, 862, 666. 19	1, 456, 599. 81

16. Taxes payable

No.	Tax item	Beginning balance	Ending balance

1	VAT payable	16, 406. 36	
2	Enterprise Income Tax payable	-4, 156. 47	24, 219. 98
3	Personal income tax payable	3, 568. 03	
4	Building tax payable	33, 953. 40	33, 953. 40
5	Land use right tax payable	64, 830. 08	64, 830. 12
6	Urban construction tax payable	386, 871. 07	357, 019. 43
7	Extra charges of education funds payable	232, 122. 64	214, 211. 66
8	Local extra charges of education funds payable	154, 748. 43	142, 807. 77
9	Stamp tax payable	1, 365. 47	1, 111. 87
	Total	889, 709. 01	838, 154. 23

17. Interest payable

Item	Beginning balance	Increase for current period	Decrease in current period	Ending balance
Interest of borrowings from TECHNOCRAFT INDUSTRIES（INDIA）	157, 469. 74	681, 402. 31	196, 760. 51	642, 111. 54
Interest of borrowings from Bank		105, 078. 97		105, 078. 97
Total	157, 469. 74	786, 481. 28	196, 760. 51	747, 190. 51

18. Other payables

(1) Aging analysis

Aging	Beginning of the year		End of the year	
	Amount	Proportion	Amount	Proportion
Within one year	11, 284. 80	4. 80%	11, 241. 00	80. 64%
One to three years	224, 023. 44	95. 20%	2, 698. 80	19. 36%
Total	235, 308. 24	100%	13, 939. 80	100%

(2) Principal Creditors

No.	Creditors' name	Year end balance	Reason	Aging
1	Board expenses	6, 270. 00	Board expenses	Within one year
2	Plate deposit	4, 971. 00	Guarantee deposit	Within one year
3	Labour suit deposit	1, 425. 00	Guarantee deposit	One to three years

19. Paid-up capital

Investors	Beginning of the year		Increase for current year	Decrease for current year	End of the year	
	Amount	Proportion			Amount	Proportion
TECHNOCRAFT INDUSTRIES（INDIA）	15, 129, 621. 98	100%			15, 129, 621. 98	100%
Total	15, 129, 621. 98	100%			15, 129, 621. 98	100%

(1) Original currency of the paid-up capital is 2.25 million US dollars, equivalent to 15,129,621.98 RMB.

（2）The paid-up capitals aboved have been verified by Chuzhou Heng Li Xin Certified Public Accountants Office (ChuHengYanZi[2008]NO.164; ChuHengYanZi[2008]NO.224; ChuHengYanZi[2008]NO.255; ChuHengYanZi[2008]NO.272; ChuHengYanZi[2009]NO.034; ChuHengYanZi[2009]NO.095; ChuHengYanZi[2011]NO.028; ChuHengYanZi[2011]NO.139; ChuHengYanZi[2013]NO.001; ChuHengYanZi[2013]NO.014).

20. Undistributed profit

Item	Amount	Remark
① Undistributed profit at beginning of this period	-4, 739, 974. 73	
Plus：net profit for the current year	4, 615, 094. 22	
prior year income adjustment	-903, 155. 40	
② Profit available for distribution	-1, 028, 035. 91	
minus：withdrawal reserve fund		

withdrawal reserve for business expansion		
withdrawal reserve for bonus and welfare fund for staff and workers		
③ Undistributed profit at the end of this period	-1, 028, 035. 91	

21. Operation revenues and costs

Item	Accrual amount in last year		Accrual amount in this year	
	Income	Cost	Income	Cost
Main business	83, 116, 832. 82	77, 443, 134. 34	73, 133, 175. 99	59, 279, 166. 09
Include: export product	68, 815, 424. 16	67, 208, 088. 91	50, 623, 009. 37	43, 290, 725. 87
Sale in domestic market	14, 301, 408. 66	10, 235, 045. 43	22, 510, 166. 62	15, 988, 440. 22
Other business	1, 723, 043. 48	235, 065. 58	1, 309, 788. 24	73, 185. 32
Include: raw material	230, 862. 82	235, 065. 58	74, 807. 82	73, 185. 32
Scraps	1, 492, 180. 66		1, 234, 980. 42	
Total	84, 839, 876. 30	77, 678, 199. 92	74, 442, 964. 23	59, 352, 351. 41

Last year the changeover withholdings on VAT of export product in Operating costs, which is tax refund forbidden, is 6, 822, 879. 74 RMB. The amount in this year is 3, 915, 780. 56 RMB.

22. Tax and extra charges of main business

No.	Item	Accrual amount in last year	Accrual amount in this year
1	Urban construction tax	112, 870. 66	228, 839. 40
2	Extra charges of education funds	67, 722. 40	137, 303. 64
3	Local extra charges of education funds	45, 148. 27	91, 535. 75
	Total	225, 741. 33	457, 678. 79

23. Selling expenses in last year is 3, 093, 354. 27 RMB, while the amount in this year is

2, 691, 704. 08 RMB in total.

No.	Item	Accrual amount in last year	Accrual amount in this year
1	Wage	218, 380. 08	275, 595. 64
2	Transportation expenses	2, 464, 462. 71	2, 309, 011. 15
3	Quality indemnity	376, 556. 48	26, 400. 48
4	Travel expense	11, 377. 00	48, 832. 42

24. Administration expenses in last year is 5, 215, 575. 85 RMB, while the amount in this year is 5, 665, 716. 14 RMB in total.

No.	Item	Accrual amount in last year	Accrual amount in this year
1	Wage & welfare	3, 012, 157. 72	3, 526, 847. 94
2	Labor insurance	360, 584. 54	124, 562. 76
3	Entertainment expense	109, 161. 58	123, 216. 30
4	Travel expense	288, 205. 27	161, 907. 11
5	Office expenses	111, 281. 16	134, 537. 07
6	Communication expense	139, 931. 08	101, 324. 53
7	Tax	415, 889. 48	413, 944. 60
8	Depreciation cost	203, 964. 37	251, 303. 06
9	Amortization of intangible assets	48, 912. 00	48, 912. 00
10	Vehicle expense	154, 242. 20	145, 274. 80

25. Financial expense

No.	Item	Accrual amount in last year	Accrual amount in this year
1	Interest income	-5, 739. 09	-4, 874. 75
2	Interest expense	2, 908, 142. 14	2, 333, 008. 39
3	Commission charge	37, 733. 54	23, 168. 46
4	Profit or loss on exchange	-490, 630. 84	-151, 177. 36
	Total	2, 449, 505. 75	2, 200, 124. 74

26. Asset devaluation loss

2, 691, 704. 08 RMB in total.

No.	Item	Accrual amount in last year	Accrual amount in this year
1	Wage	218, 380. 08	275, 595. 64
2	Transportation expenses	2, 464, 462. 71	2, 309, 011. 15
3	Quality indemnity	376, 556. 48	26, 400. 48
4	Travel expense	11, 377. 00	48, 832. 42

24. Administration expenses in last year is 5, 215, 575. 85 RMB, while the amount in this year is 5, 665, 716. 14 RMB in total.

No.	Item	Accrual amount in last year	Accrual amount in this year
1	Wage & welfare	3, 012, 157. 72	3, 526, 847. 94
2	Labor insurance	360, 584. 54	124, 562. 76
3	Entertainment expense	109, 161. 58	123, 216. 30
4	Travel expense	288, 205. 27	161, 907. 11
5	Office expenses	111, 281. 16	134, 537. 07
6	Communication expense	139, 931. 08	101, 324. 53
7	Tax	415, 889. 48	413, 944. 60
8	Depreciation cost	203, 964. 37	251, 303. 06
9	Amortization of intangible assets	48, 912. 00	48, 912. 00
10	Vehicle expense	154, 242. 20	145, 274. 80

25. Financial expense

No.	Item	Accrual amount in last year	Accrual amount in this year
1	Interest income	-5, 739. 09	-4, 874. 75
2	Interest expense	2, 908, 142. 14	2, 333, 008. 39
3	Commission charge	37, 733. 54	23, 168. 46
4	Profit or loss on exchange	-490, 630. 84	-151, 177. 36
	Total	2, 449, 505. 75	2, 200, 124. 74

26. Asset devaluation loss

No.	Item	Accrual amount in last year	Accrual amount in this year
1	Withdrawing account prepaid devaluation loss		100, 000. 00
	Total		100, 000. 00

27. Non-operating income & non-operating expenditure

	Item	Accrual amount in last year	Accrual amount in this year
①	Non-operating income		
(a)	Governmental subsidy	211, 600. 00	695, 430. 00
(b)	Penalty income	77, 193. 96	43, 910. 00
(c)	No pay accounts receivable and accounts payable	84, 485. 40	14, 079. 18
	Total	373, 279. 36	753, 419. 18
②	Non-operating expenditure		
(a)	Penalty outlay	265, 000. 00	
(b)	Overdue fine	4, 311. 32	
(c)	Loss on disposal of fixed assets	1, 451. 09	
(d)	Other expenditure	1, 000. 00	
	Total	271, 762. 41	

VI. **Cash Flows**

Adjust net profit to operating cash flow in an indirect method:

Item	Last year	This year
①**Reconciliation of net profit/(loss) to cash flows from operating activities:**		
Net profit	-3, 720, 983. 87	4, 615, 094. 22
Minus: loss on unconfirmed investment		
Plus: Impairment provision for assets		100, 000. 00
Depreciation of fixed assets, oil & gas asset	2, 101, 052. 66	2, 146, 918. 77

depletion, depreciation of productive biological assets		
Amortization of intangible assets	48, 912. 00	48, 912. 00
Amortization of long-term prepaid expenses	140, 757. 29	85, 797. 76
Decrease in deferred expenses (minus sign representing increase)		
Increase in accrued expenses (minus sign representing decrease)		
Loss on disposal of fixed assets, intangible assets and others (minus sign representing gains)	1, 451. 09	
Losses on disposal of fixed assets（minus sign representing gains）		
Losses on the changes in fair value （minus sign representing gains）		
Financial expenses （minus sign representing gains）	2, 908, 142. 14	2, 333, 008. 39
Losses arising from investments （minus sign representing gains）		
Decrease of deferred income tax assets （minus sign representing increase）		
Increase of deferred income tax liabilities （minus sign representing decrease）		
Decrease in inventories（minus sign representing increase）	13, 006, 233. 23	1, 055, 099. 92
Decrease in operating receivables （minus sign representing increase）	-6, 703, 147. 54	-3, 993, 944. 97
Increase in operating payables （minus sign representing decrease）	-4, 051, 471. 85	-692, 004. 14
Others	600, 177. 69	579, 687. 19
Net cash flows from operating activities	4, 331, 122. 84	6, 278, 569. 14

② Important investing and financing activities that irrelevant with cash receipts and payment		
Conversion of debt into capital		
Reclassification of convertible bonds expiring within one year as current liability		
Financial leasing of fixed assets		
③ Change on Cash and Cash Equivalents:		
Closing balance of cash	2, 445, 444. 97	3, 285, 132. 17
Minus：Opening balance of cash	1, 588, 115. 73	2, 445, 444. 97
Add: Closing balance of cash equivalents		
Minus：Opening balance of cash equivalents		
Net increase of cash and cash equivalents	857, 329. 24	839, 687. 20

VII. Related party & related-party transaction

1. Related party

Name of related company	Relationship
TECHNOCRAFT INDUSTRIES（INDIA）	Parent company

2. Related-party transaction

The transactions between related-party in 2016 are as follows:

(1) Purchase

Name	Last year	This year
TECHNOCRAFT INDUSTRIES（INDIA）	2, 518, 359. 30	4, 036, 241. 79
Total	2, 518, 359. 30	4, 036, 241. 79

(2) Sales

Name	Last year	This year
TECHNOCRAFT INDUSTRIES（INDIA）	848, 099. 29	95, 908. 64
Total	848, 099. 29	95, 908. 64

(3) Contacts

Item	Beginning balance	Ending balance

① Accounts receivable		
TECHNOCRAFT INDUSTRIES（INDIA）	6, 493. 60	32, 440. 88
② Short-term borrowing		
TECHNOCRAFT INDUSTRIES（INDIA）	6, 298, 792. 00	6, 728, 890. 00
③ Accounts payable		
TECHNOCRAFT INDUSTRIES（INDIA）	1, 168, 847. 75	1, 616, 877. 11
④ Interest payable		
TECHNOCRAFT INDUSTRIES（INDIA）	157, 469. 74	642, 111. 54

VIII. Commitment

None.

IX. Contingencies

None.

X. Subsequent events

None.

XI. Additional statement

In this period, the amount of provision for bad-debt is 100,000.00 RMB. No inventory falling price, fixed assets depreciation or long-term equity investment depreciation.

ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD

February 27, 2017

Swift Engineering Inc, Canada.

Swift Engineering Inc.
Balance Sheet
As of March 31, 2017

	Mar 31, 17
ASSETS	
Current Assets	
Chequing/Savings	
1001 · CIBC CHEQUING	152,099.09
1151 · CIBC USD ACCOUNT	25,062.51
Total Chequing/Savings	177,161.60
Accounts Receivable	
1200 · Accounts Receivable	361,250.26
Total Accounts Receivable	361,250.26
Other Current Assets	
1201 · Accts receivable - Y/E	20,000.00
1350 · Prepaid Expenses	66,352.68
Total Other Current Assets	86,352.68
Total Current Assets	624,764.54
Fixed Assets	
1600 · Computer Hardware	1,689.46
1700 · Computer Software	0.00
1800 · Office Furnishings & Equipment	6,630.82
1900 · Lease Hold Improvements	0.00
Total Fixed Assets	8,320.28
Other Assets	
1950 · Investment in Swift Projects US	1,044.50
Total Other Assets	1,044.50
TOTAL ASSETS	**634,129.32**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	41,786.74
20000 · Accounts Payable - USD	-47.99
Total Accounts Payable	41,738.75
Credit Cards	
2105 · American Express - Peter Poon	2,705.58
2107 · CIBC VISA - PETER	599.10
Total Credit Cards	3,304.68
Other Current Liabilities	
Accrued payroll	37,558.11
2660 · Loan from SH Peter Corp	90,000.00
2661 · Loan from SH John Corp	33,000.00
2662 · - Loan from Impact Engineering	192,136.20
2663 · Loan from CIBC - Software	19,861.00
Total Other Current Liabilities	372,555.31
Total Current Liabilities	417,598.74
Total Liabilities	417,598.74
Equity	
3005 · Share Capital	100.00
3900 · Retained Earnings	834,378.47
Net Income	-617,947.89
Total Equity	216,530.58
TOTAL LIABILITIES & EQUITY	**634,129.32**

Swift Engineering Inc.

Profit & Loss

April 2016 through March 2017

			Apr '16 - Mar 17
Ordinary Income/Expense			
Income			
4100 · Drafting Revenue			
4110 · Staff - Drafting		153,737.50	
4120 · Contract - Drafting		204,574.79	
Total 4100 · Drafting Revenue			358,312.29
4200 · Engineering Revenue			
4210 · Procurement		1,228.50	
4220 · Project Engineering			
4221 · Staff - Project Engineering	282,342.95		
4220 · Project Engineering - Other	296,183.05		
Total 4220 · Project Engineering		578,526.00	
4230 · Project Admin			
4231 · Staff - Project Admin	10,450.57		
Total 4230 · Project Admin		10,450.57	
4260 · Civil Engineering			
4263 · In House Contractor - Civil	41,710.00		
Total 4260 · Civil Engineering		41,710.00	
4270 · Electrical Engineering			
4271 · Staff - Electrical	12,360.00		
4272 · External Contract - Electrical	83,681.00		
4270 · Electrical Engineering - Other	4,620.00		
Total 4270 · Electrical Engineering		100,661.00	
4275 · Controls/Program			
4278 · In House Contract - Cntrls/Prgm	2,990.00		
Total 4275 · Controls/Program		2,990.00	
4280 · Process Engineering			
4281 · Staff - Process	7,144.00		
Total 4280 · Process Engineering		7,144.00	
4290 · Misc.			
4291 · P-Eng Stamp	7,650.00		
4293 · Lump-Sum	0.01		
Total 4290 · Misc.		7,650.01	
4295 · Project Management		450,614.63	
Total 4200 · Engineering Revenue			1,200,974.71
4300 · Rental revenue - #900			
4400 · Sub Lease income		100,985.61	
Total 4300 · Rental revenue - #900			100,985.61
4900 · Reimbursed Expenses - Income			
4910 · Project Services		55,340.25	
4920 · CADD Software		38,622.00	
4930 · Process Software		1,400.00	
4940 · Expenses As Per Attached Report		19,910.64	
4950 · Expense Markup		1,539.52	
4900 · Reimbursed Expenses - Income - Other		43,420.00	
Total 4900 · Reimbursed Expenses - Income			160,232.41
4980 · Office Equipment Lease			260.00
4999 · Uncategorized Income			20,000.00
Total Income			1,840,765.02
Cost of Goods Sold			
5000 · Project Related Costs			
5060 · InHouse Drafting Contract		182,094.00	
5100 · External Engineering Contract			
5102 · External Electric Eng.	61,983.83		

Swift Engineering Inc.
Profit & Loss
April 2016 through March 2017

			Apr '16 - Mar 17
5105 · External- Instrument & Controls			
51050 · I & C - Third Party Eng. - BMH	2,475.00		
Total 5105 · External- Instrument & Controls		2,475.00	
5100 · External Engineering Contract - Other		14,514.80	
Total 5100 · External Engineering Contract			78,973.63
5110 · InHouse Engineering Contract			
5145 · Civil - In House Engineering			
51450 · Civil - In Hs- Irena Godoun	36,550.00		
Total 5145 · Civil - In House Engineering		36,550.00	
5110 · InHouse Engineering Contract - Other		5,160.00	
Total 5110 · InHouse Engineering Contract			41,710.00
5000 · Project Related Costs - Other			9,254.52
Total 5000 · Project Related Costs			312,032.15
50000 · Cost of Goods Sold			0.00
Total COGS			312,032.15
Gross Profit			1,528,732.87
Expense			
Reconciliation Discrepancies			-0.82
6110 · Amortization on tangible assets			7,932.25
6115 · Bank Charges & Interest			7,488.63
6120 · Business License & Fees			6,376.93
6130 · Car/Truck Expense			
6135 · Parking		15.13	
Total 6130 · Car/Truck Expense			15.13
6139 · Cleaning/Janitorial			880.00
6140 · Computer Expense			
6147 · Computer Software Support		1,195.96	
6148 · Computer Software		-2,768.15	
6149 · Computer Software Licensing		41,025.85	
Total 6140 · Computer Expense			39,453.66
6155 · Dues and Subscriptions			
6156 · Subscriptions		2,672.99	
6155 · Dues and Subscriptions - Other		8,725.06	
Total 6155 · Dues and Subscriptions			11,398.05
6180 · Insurance			
6183 · Employee Benefit Insurance		76,709.55	
6186 · Professional Liability Ins		44,888.88	
6188 · General Liability Insurance		58.00	
6189 · Worker's Compensation		-358.39	
Total 6180 · Insurance			121,298.04
6200 · Registrations			429.20
6238 · Promotional & Marketing			
6100 · Advertising Expense		60.99	
6240 · Meals/Coffee			
6244 · Tips	965.72		
6240 · Meals/Coffee - Other	11,889.22		
Total 6240 · Meals/Coffee		12,854.94	
6241 · Product/Giveaways		794.62	
6242 · Trade Shows		878.00	
6238 · Promotional & Marketing - Other		1,455.42	
Total 6238 · Promotional & Marketing			16,043.97

Swift Engineering Inc.
Profit & Loss
April 2016 through March 2017

			Apr '16 - Mar 17
6250 · Office Equipment			
6251 · Equipment Rental		1,648.63	
6252 · Field Gear		61.73	
6250 · Office Equipment - Other		729.17	
Total 6250 · Office Equipment			2,439.53
6253 · Payroll Expenses			
6254 · Payroll Service Fees		2,316.75	
6256 · Direct Deposit - Payroll		775,756.29	
6257 · DAS Federal - Payroll		367,252.44	
Total 6253 · Payroll Expenses			1,145,325.48
6255 · Postage and Couriers			1,193.60
6265 · Printing and Reproduction			
6266 · Leases/Contracts for Copiers		2,223.51	
6265 · Printing and Reproduction - Other		2,086.74	
Total 6265 · Printing and Reproduction			4,310.25
6270 · Professional Development			1,028.00
6275 · Professional Fees			
6277 · Accounting Fees		7,225.00	
6275 · Professional Fees - Other		250.00	
Total 6275 · Professional Fees			7,475.00
6280 · Management Fees			459,360.00
6295 · Rent			193,713.32
6296 · Rental Expenses - #900			355.98
6300 · Repairs			
6303 · Office Repairs		1,280.00	
Total 6300 · Repairs			1,280.00
6310 · Office Supplies			6,146.20
6320 · Telephone and Fax			12,095.66
6325 · Internet			1,360.57
6327 · Bala's Calgary Expenses			
6281 · Management Fees - Bala		10,377.00	
6297 · Rent - Bala		3,000.00	
6328 · Bala's Allowance		7,000.00	
Total 6327 · Bala's Calgary Expenses			20,377.00
6330 · Travel - NON reimbursable			
6333 · Accomodation		1,295.25	
6334 · Meals			
6339 · Tips	0.00		
6334 · Meals - Other	366.79		
Total 6334 · Meals		366.79	
6335 · Mileage/Fuel		129.91	
6336 · Vehicle		412.60	
6337 · Flights		3,921.60	
6330 · Travel - NON reimbursable - Other		2,718.87	
Total 6330 · Travel - NON reimbursable			8,845.02
6350 · Travel - Reimbursable			
6353 · Accomodation		19,404.29	
6354 · Meals			
6359 · Tips	113.97		
6354 · Meals - Other	15,542.54		
Total 6354 · Meals		15,656.51	

Swift Engineering Inc.
Profit & Loss
April 2016 through March 2017

	Apr '16 - Mar 17
6355 · MIleage/Fuel	96.76
6356 · Vehicle	264.00
6357 · Flights	1,450.31
6350 · Travel - Reimbursable - Other	36,754.26
Total 6350 · Travel - Reimbursable	73,626.13
Total Expense	2,150,246.78
Net Ordinary Income	- 621,513.91
Other Income/Expense	
Other Income	
7100 · Interest Income	664.25
7300 · Other Income	2,874.33
Total Other Income	3,538.58
Other Expense	
7600 · Employee Expenses	256.30
7700 · Exchange Gain or Loss	-283.74
Total Other Expense	-27.44
Net Other Income	3,566.02
Net Income	**- 617,947.89**

Technosoft Engineering Inc,

USA.

(Formerly known as Impact Engineering Solutions Inc)

2:21 PM
05/17/17
Accrual Basis

Technosoft Engineering, Inc.
Balance Sheet
As of December 31, 2016

	Dec 31, 16
ASSETS	
Current Assets	
Checking/Savings	
1000 · Cash	88,659.47
Total Checking/Savings	88,659.47
Accounts Receivable	
1210 · Accounts Receivable-Trade	1,023,452.19
Total Accounts Receivable	1,023,452.19
Other Current Assets	
1400 · Other Receivables	516,469.04
1500 · Prepaid Exp	41,451.42
Total Other Current Assets	557,920.46
Total Current Assets	1,670,032.12
Fixed Assets	
1800 · Fixed Assets	373,122.57
1900 · Accum. Depr.	-364,252.74
Total Fixed Assets	8,869.83
Other Assets	
1995 · Industrial & Constr Supplies, LLC	82,686.00
1996 · Investment in Tech. Innovation	5,000.00
Total Other Assets	87,686.00
TOTAL ASSETS	**1,766,587.95**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · Accounts Payable-Trade	54,633.34
Total Accounts Payable	54,633.34
Credit Cards	
American Express	44,523.87
Total Credit Cards	44,523.87
Other Current Liabilities	
2200 · Accrued Expenses	-17,809.78
2300 · Accrued Payroll	124,298.61
2410 · Line of Credit	723,573.54
Total Other Current Liabilities	830,062.37

Technosoft Engineering, Inc.
Balance Sheet
As of December 31, 2016

	Dec 31, 16
Total Current Liabilities	929,219.58
Total Liabilities	929,219.58
Equity	
3010 · Capital Stock	658,826.29
3020 · Treasury Stock	-420,704.96
3510 · Retained Earnings	839,715.62
Net Income	-240,468.58
Total Equity	837,368.37
TOTAL LIABILITIES & EQUITY	**1,766,587.95**

Technosoft Engineering, Inc.
Monthly Profit & Loss-Total Company
January through December 2016

	Jan - Dec 16
Ordinary Income/Expense	
Income	
4110 · Project Revenue	2,135,239
4310 · On-Site Revenue	5,559,197
4510 · Perm Placement Revenue	109,998
4710 · Reimb Revenue	29,808
Total Income	7,834,242
Cost of Goods Sold	
5010 · Labor-Direct	3,567,766
5110 · P/R Taxes-FICA	210,383
5120 · P/R Taxes-Unemployment	33,674
5210 · Insurance-Health & Life	134,757
5220 · Insurance-LTD & STD	4,530
5240 · Dental/Eye Expense	1,896
5320 · Meals/Entertainment Expense	3,092
5410 · Visa Expenses	136,292
5460 · Travel - Indirect	893,411
5630 · Software Maintenance	3,846
5670 · Depreciation	2,760
5680 · Sales Commissions	295,803
5685 · AM Incentive	8,504
5810 · Technosoft Outsource	1,716,546
Total COGS	7,013,260
Gross Profit	820,982
Expense	
6000 · Sales Expenses	
6010 · Salaries	49,401
6110 · P/R Taxes-FICA	5,551
6120 · P/R Taxes-Unemployment	819
6210 · Insurance-Health & Life	2,579
6220 · Insurance-LTD & STD	294
6270 · 401K Employer Contribution	15
6310 · Travel	97,767
6320 · Meals & Entertainment	9,337
6510 · Letterhead/Business Cards	730
6560 · Conventions/Shows Meals&Enter	8,976
6710 · Sales Cloud Software Expense	35,062
6801 · Sales and Recruitment Support	278,532
6910 · Miscellaneous	19,450
Total 6000 · Sales Expenses	508,513
7000 · Recruiting Exp	
7510 · Recruiting & Employment Costs	41,142
Total 7000 · Recruiting Exp	41,142
8000 · Admin Exp	

Technosoft Engineering, Inc.
Monthly Profit & Loss-Total Company
January through December 2016

	Jan - Dec 16
8010 · Salaries	40,283
8110 · P/R Taxes-FICA	2,986
8120 · P/R Taxes-Unemployment	817
8210 · Insurance-Health & Life	4,920
8220 · Insurance-LTD & STD	0
8240 · Dental/Eye Expense	300
8310 · Travel	38,958
8410 · 401K Admin Charges	1,606
8420 · Payroll Processing Charges	9,180
8440 · Employee Specialty Expense	288
8510 · Professional Fees	57,215
8530 · Bank Charges	4,313
8550 · Personal Property Tax Expense	2
8610 · Office Supplies	1,847
8620 · Leases-Office Equipment	1,876
8630 · Maintenance-Off. Equip- S/W	876
8640 · Postage	5,137
8660 · IT Infrastructure	7,360
8670 · Depreciation	3,216
8710 · Building Rent-Milwaukee	46,302
8730 · Office Cleaning/Maintenance	1,100
8750 · Telephone-Basic	23,046
8755 · Telephone-Cellular	9,384
8760 · Internet Charges	4,838
8770 · Insurance	
8772 · Property & Liability	23,281
8774 · Insurance-Workers' Comp	246
8776 · E & O Insurance	17,021
Total 8770 · Insurance	40,548
Total 8000 · Admin Exp	306,398
8900 · Management Expenses	
8910 · Consulting Contracts	18,000
8900 · Management Expenses - Other	177,881
Total 8900 · Management Expenses	195,881
Total Expense	1,051,934
Net Ordinary Income	-230,952
Other Income/Expense	
Other Expense	
9010 · Interest Expense	9,517
Total Other Expense	9,517
Net Other Income	-9,517
Net Income	**-240,469**

Technosoft GMBH, Germany.

(Formerly known as CAE System GMBH)

HAMMER & SOZIEN Partnerschaft
Partnerschaft mbB
Wirtschaftsprüfer Steuerberater

Sophienstr. 8
76530 Baden-Baden

ANNUAL FINANCIAL STATEMENTS

at 31. December 2016

Technosoft GmbH
Ingenieur-Dienstleistungen

Hildastrasse 22

76275 Ettlingen

Tax office: Ettlingen

Tax No.: 31195/21068

Enclosures

Technosoft GmbH Ingenieur-Dienstleistungen, Ettlingen

Balance Sheet

ASSETS

		31.12.2016 EUR	31.12.2016 EUR	31.12.2015 EUR
A.	**Current assets**			
	I. Receivables and other assets			
	1. Trade receivables	0,00		0,00
	2. Other assets	3.153,14		101,99
			3.153,14	101,99
	II. Cash, Bank balances		9.433,19	9,38
B.	**Not covered by equity loss**		1.462,55	12.888,85
			14.048,88	**13.000,22**

Annex 1

DECEMBER 31, 2016

LIABILITIES

		31.12.2016 EUR	31.12.2016 EUR	31.12.2015 EUR
A.	**Equity Capital**			
	I. Subscribed capital	60.000,00		30.000,00
	II. Capital reserve	30.000,00		30.000,00
	III. Loss carried forward	-72.888,85		-72.526,74
	IV. Loss of the year	-18.573,70		-362,11
	deficit not covered by equity		-1.462,85	-12.888,85
	Book equity		0,00	0,00
B.	**Provisions**			
	1. **Provisions for taxes**	0,00		0,00
	2. **Other provisions**	1.150,00		0,00
			1.150,00	0,00
C.	**Liabilities**			
	1. **Trade accounts payable** (With a remaining term of one year EUR 0,00)	0,00		0,00
	2. **Other liabilities**	12.898,88		13.000,22
	(With a remaining term of one year EUR 12.898,88)		12.898,88	13.000,22
			14.048,88	**13.000,22**

Profit and Loss Statement
for the period from
1st January to 31st December 2016

		2016 EUR	2015 EUR
1.	Sales	0,00	84,03
2.	Cost of materials		
	a) Cost of purchased services	0,00	0,00
3.	Cross results	0,00	84,03
4.	Other operating expenses	-18.573,70	-446,14
5.	Operating results	-18.573,70	-362,11
6.	Earnings before taxes (EBT)	-18.573,70	-362,11
7.	Taxes on income	0,00	0,00
8.	Loss of the year	**-18.573,70**	**-362,11**

Swift Projects Inc, USA.

Swift Projects Inc
Balance Sheet
As of March 31, 2017

	Mar 31, 17
ASSETS	
Current Assets	
Checking/Savings	
Cash	526.85
Total Checking/Savings	526.85
Accounts Receivable	
Accounts Receivable	27,274.07
Total Accounts Receivable	27,274.07
Total Current Assets	27,800.92
TOTAL ASSETS	**27,800.92**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
401(k) EE Contributions	2,000.00
401(k) ER Contributions	600.00
Employees Bonus Payable	40,000.00
Total Accounts Payable	42,600.00
Total Current Liabilities	42,600.00
Total Liabilities	42,600.00
Equity	
Capital Stock	1,000.00
Retained Earnings	-8,603.73
Net Income	-7,195.35
Total Equity	-14,799.08
TOTAL LIABILITIES & EQUITY	**27,800.92**

Swift Projects Inc
Profit & Loss
April 2016 through March 2017

	Apr '16 - Mar 17
Ordinary Income/Expense	
Income	
Advertising	6,000.00
Sales Income	
Management Services	250,000.00
Professional Fees Reimbursement	3,000.00
Sponsorship	5,712.50
Travel Reimbursement	68,518.88
Total Sales Income	327,231.38
Technosoft WI ADP Fee	2,088.72
Technosoft WI Management Fee	62,909.91
Technosoft WI Staffing	254,341.37
Total Income	652,571.38
Gross Profit	652,571.38
Expense	
401(k) set up and admin costs	2,400.00
Advertising and Promotion	6,033.26
Bank Service Charges	442.00
Dues and Subscriptions	850.00
Meals and Entertainment	8,117.09
Membership	712.50
Payroll Expenses	
Employees Bonus Payable	40,000.00
Empr Discretionary Contribution	20,225.00
Payroll - 401k contribution	24,000.00
Payroll Expenses - Wages	135,484.35
Payroll Tax - Employer Medicare	3,151.21
Payroll Tax - Employer SS	8,197.43
Payroll Tax - Employer SUTA	682.35
Payroll Taxes - Federal	36,759.07
Payroll Taxes - Local	2,825.23
Payroll Taxes - LST	51.04
Payroll Taxes - Medicare	3,183.68
Payroll Taxes - PA UC	152.13
Payroll Taxes - Social Security	8,197.43
Payroll Taxes - State	6,671.87
Technosoft WI Staffing ADP Fee	2,340.09
Technosoft WI Staffing Taxes	81,002.97
Technosoft WI Staffing Wages	173,114.82
Payroll Expenses - Other	724.12
Total Payroll Expenses	546,762.79
Professional Fees	

Swift Projects Inc
Profit & Loss
April 2016 through March 2017

	Apr '16 - Mar 17
Accounting Fees	3,035.00
CliftonLarsenAllen	12,000.00
Total Professional Fees	15,035.00
Rent Expense	16,900.00
Sponsorship	5,000.00
Travel Expense	57,514.09
Total Expense	659,766.73
Net Ordinary Income	-7,195.35
Net Income	**-7,195.35**

Technosoft Innovations Inc,

USA.

Technosoft Innovations Inc
Balance Sheet
As of December 31, 2016

		Total
ASSETS		
Current Assets		
Bank Accounts		
1000 - Cash		
1050 - Checking - Citibank		66,623.40
1060 - Checking - PNC		7,252.00
1070 - Cash - Payroll Clearing Account		0.00
Total 1000 - Cash	**$**	**73,875.40**
Total Bank Accounts	**$**	**73,875.40**
Accounts Receivable		
Accounts Receivable		261,077.12
Total Accounts Receivable	**$**	**261,077.12**
Other Current Assets		
1500 - Prepaid Exp.		
1530 - Prepaid Travel / Entry Expense		1,106.00
1590 - Prepaid Other		6,799.50
Total 1500 - Prepaid Exp.	**$**	**7,905.50**
1700 - Goodwill		222,000.00
1701 - Accum Depr-Goodwill		-12,950.00
1750 - Covenant not to compete		50,000.00
1751 - Accum Depr-Convenant		-5,833.33
Total Other Current Assets	**$**	**261,122.17**
Total Current Assets	**$**	**596,074.69**
Fixed Assets		
1800 - Fixed Assets		
1820 - Computer Hardware		2,762.10
1860 - 3D Printer		9,340.69
1870 - Other Equipment		28,000.00
Total 1800 - Fixed Assets	**$**	**40,102.79**
1900 - Accum. Depr.		
1920 - Accum Depr-Computer Hardware		-184.14
1960 - Accum. Depr-3D Printer		-1,089.75
1970 - Accum Depr.-Other Equipment		-3,266.67
Total 1900 - Accum. Depr.	**-$**	**4,540.56**
Total Fixed Assets	**$**	**35,562.23**
TOTAL ASSETS	**$**	**631,636.92**
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable		137,611.67
Total Accounts Payable	**$**	**137,611.67**
Other Current Liabilities		
2200 - Accrued Expenses		
2215 - Accrued Vendor Invoices		0.00

2270 - Anuva Earnout Payable		150,000.00
Total 2200 - Accrued Expenses	**$**	**150,000.00**
2300 - Accrued Payroll		
2310 - Accrued Wages		8,476.49
2320 - Accrued Commissions		560.78
2330 - Accrued Payroll Taxes		677.33
Total 2300 - Accrued Payroll	**$**	**9,714.60**
2400 - Debtors Advance		28,300.00
2500 - Unsecured Loan		250,000.00
Total Other Current Liabilities	**$**	**438,014.60**
Total Current Liabilities	**$**	**575,626.27**
Total Liabilities	**$**	**575,626.27**
Equity		
2000 - Share Capital		5,000.00
Retained Earnings		
Net Income		51,010.65
Total Equity	**$**	**56,010.65**
TOTAL LIABILITIES AND EQUITY	**$**	**631,636.92**

Technosoft Innovations Inc
Profit and Loss
June - December, 2016

		Total
Income		
Billable Expense Income		12,756.00
Consulting Income		744,178.72
Manufacturing Income		46,993.04
Markup		21,936.86
Material Income		218,859.42
Total Income	**$**	**1,044,724.04**
Cost of Goods Sold		
Cost of Goods Sold		
5010 - Labor-Direct		413,085.90
5110 - P/R Taxes-FICA		17,165.55
5120 - P/R Taxes-Unemployement		737.73
5210 - Insuarance-Health & Life		7,997.78
5220 - Insuarance-LTD & STD		1,313.16
5240 - Dental/Eye Expense		78.65
5430-Material Purchase		231,336.51
5460 - Travel - Indirect		580.46
5630 - Software Maintanance		1,133.85
5720 - Subcontractor Expense		99,682.68
Total Cost of Goods Sold	**$**	**773,112.27**
Total Cost of Goods Sold	**$**	**773,112.27**
Gross Profit	**$**	**271,611.77**
Expenses		
Expense		
6000 - Sales Expenses		
6310 - Travel		39,022.22
6320 - Meals & Entertainment		442.95
6710 - Sales Cloud Software Expense		144.00
6801 - Sales & Recruitment Support		2,560.78
Total 6000 - Sales Expenses	**$**	**42,169.95**
7000 - Recruitment Exp.		
7510 - Recruiting & Employement Costs		12,451.00
Total 7000 - Recruitment Exp.	**$**	**12,451.00**
8000 - Admin Exp		
8010 - Salaries		18,675.00
8310 - Travel		6,762.00
8420 - Payroll Processing Charges		1,533.87
8430 - Seminars / Training		138.00
8440 - Employee Specialty Expense		333.70
8510 - Professional Fees		3,710.00
8530 - Bank Charges		403.33
8560 - Legal Fees		5,326.00
8610 - Office Supplies		3,470.18
8630 - Maintenance-Off.Equip-S/W		2,480.75
8640 - Postage		7,189.69

8650 - Postage - Billable		647.20
8660 - IT Infrastructure		34.56
8670 - Depreciation		23,323.89
8725 - Rent		21,952.00
Total 8000 - Admin Exp	**$**	**95,980.17**
8900 - Management Expenses		70,000.00
Total Expense	**$**	**220,601.12**
Total Expenses	**$**	**220,601.12**
Net Operating Income	**$**	**51,010.65**
Net Income	**$**	**51,010.65**

Highmark International Trading FZE,

UAE.

Highmark International Trading FZE

Balance Sheet

1-Apr-2016 to 31-Mar-2017

Liabilities		as at 31-Mar-2017	Assets		as at 31-Mar-2017
Capital Account		**200,000.00**	**Fixed Assets**		**3,853,099.00**
Capital Account	*200,000.00*		*Investment in Properties*	*4,611,540.00*	
			Provision for Depreciation	*(-)758,441.00*	
Loans (Liability)		**3,202,251.00**			
Mr. Ashish Kumar Saraf	*1,830,706.75*		**Investments**		**3,769,378.00**
MR.SHARADKUMAR SARAF	*1,371,544.25*		*New Property at Address Residence Sky View*	*3,769,378.00*	
Current Liabilities		**20,082,889.35**	**Current Assets**		**24,997,839.69**
Sundry Creditors	*20,035,423.35*		*Closing Stock*		
Advance Rent Received	*37,466.00*		Loans & Advances (Asset)	*5,835.45*	
Deposit Received	*10,000.00*		Sundry Debtors	*21,329,158.04*	
			Bank Accounts	*3,655,710.68*	
Suspense A/c			*Prepaid Expenses on Property*	*7,135.52*	
Profit & Loss A/c		**9,135,176.34**			
Opening Balance	*7,142,119.65*				
Current Period	*1,993,056.69*				
Total		**32,620,316.69**	**Total**		**32,620,316.69**

Highmark International Trading FZE

Profit & Loss A/c

1-Apr-2016 to 31-Mar-2017

Particulars	1-Apr-2016 to 31-Mar-2017		Particulars	1-Apr-2016 to 31-Mar-2017	
Purchase Accounts		**43,625,508.12**	**Sales Accounts**		**44,426,486.18**
Purchase Account...	*43,625,508.12*		*Sales Account*	*44,426,486.18*	
Gross Profit c/o		***800,978.06***			
		44,426,486.18			**44,426,486.18**
Indirect Expenses		**197,170.78**	Gross Profit b/f		***800,978.06***
Accounting Fees	*1,836.45*				
Audit Fees	*10,000.00*		**Indirect Incomes**		**1,389,249.41**
Bank Charges	*20,794.66*		*Fees Income*	*981,614.72*	
Depreciation on Investment in Properties	*307,590.00*		*Interest on Loan Accrued*	*207,634.69*	
Diff in Forex	*13,096.62*		*Rental Income*	*200,000.00*	
Expenses on Property	*33,542.28*				
Forex Gain / Loss	*(-)323,051.22*				
Legal & Professional Fees	*122,636.63*				
Mobile Expenses	*725.36*				
Warehousing Charges	*10,000.00*				
Nett Profit		***1,993,056.69***			
Total		**2,190,227.47**	**Total**		**2,190,227.47**

AAIT/Technocraft Scaffolding Distribution LLC,

USA.

AAIT/ Technocraft Scaffold Distribution LLC
Balance Sheet
As of December 31, 2016

	Dec 31, 16
ASSETS	
Current Assets	
Checking/Savings	
Bank of America - 0950	198,437.45
Bank of America - 1497	2,021.44
Bank of America - 5363	65,007.07
Bank of America - 5486	125,567.66
Total Checking/Savings	391,033.62
Accounts Receivable	
Accounts Receivable	1,513,951.49
Total Accounts Receivable	1,513,951.49
Other Current Assets	
1200 - INVENTARIO	9,375,270.83
Employee Advances	1,500.00
Total Other Current Assets	9,376,770.83
Total Current Assets	11,281,755.94
Fixed Assets	
Vehicles	51,170.74
Computer Equipment	9,163.60
Furniture and Equipment	11,949.39
Warehouse Equipment	74,581.08
Leasehold Improvements	28,450.98
Accumulated Depreciation	(39,541.50)
Total Fixed Assets	135,774.29
Other Assets	
Deposit - Rent	31,100.00
Utility Deposits	600.64
Prepaid Int - Marlin Bus. Bk	2,427.70
Prepaid Int - LeaseDirect	3,183.30
Prepaid Int - Lease Corp/Amer	10,240.82
Loan Rec - Parking Lot Improve	56,775.00
Organization Costs	31,952.38
Accumulated Amortization	(8,475.00)
Total Other Assets	127,804.84
TOTAL ASSETS	**11,545,335.07**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	10,165,592.73
Total Accounts Payable	10,165,592.73
Credit Cards	
Bank of America 5083	90,646.17
Total Credit Cards	90,646.17
Other Current Liabilities	
Sales Tax Payable	10,815.11
Customer Deposits	115.23
Payroll Liabilities	5,790.22
Total Other Current Liabilities	16,720.56
Total Current Liabilities	10,272,959.46

AAIT/ Technocraft Scaffold Distribution LLC
Balance Sheet
As of December 31, 2016

	Dec 31, 16
Long Term Liabilities	
Note Pay - LeaseDirect $674.20	30,310.87
Note Pay - Marlin Bus $845.70	6,008.05
Note Pay - Lease Corp - $1,248.	57,417.20
Loan Payable - Technocraft	1,128,862.92
Loan Payable - Castillo	203,166.01
Total Long Term Liabilities	1,425,765.05
Total Liabilities	11,698,724.51
Equity	
Capital Stock	100.00
Retained Earnings	(8,142.03)
Net Income	(145,347.41)
Total Equity	(153,389.44)
TOTAL LIABILITIES & EQUITY	**11,545,335.07**

AAIT/ Technocraft Scaffold Distribution LLC
Profit & Loss
January through December 2016

		Jan - Dec 16
Ordinary Income/Expense		
Income		
4000 - SALES INCOME		4,755,975.42
Construction Income		7,195.00
Interest Income		23.79
Refunds		(15,360.58)
Total Income		4,747,833.63
Cost of Goods Sold		
Purchases		3,936,365.62
Freight & Shipping Expenses		267,407.40
Total COGS		4,203,773.02
Gross Profit		544,060.61
Expense		
Other		0.00
E-Commerce		21,939.06
Advertising		16,572.85
Accounting		7,200.00
Auto and Truck Expenses		
Fuel - Truck	440.00	
Truck Lease	0.00	
Fuel - Eduard	1,494.47	
Fuel - Ramesh	432.06	
Fuel - John	2,450.83	
Allowance - John	5,000.00	
Parking and Tolls	1,309.58	
Auto and Truck Expenses - Other	1,089.16	
Total Auto and Truck Expenses		12,216.10
Bank Service Charges		1,139.60
Casual Labor		12,890.32
Commissions		3,863.21
Computer Expenses		
Computer Expenses-Eduard	1,311.45	
Computer Expenses - Other	229.99	
Total Computer Expenses		1,541.44
Credit Card		23.21
Credit Card Processing Fees		5,111.32
Equipment Rental		3,096.04
Insurance Expense		
Vehicle	1,504.12	
Liability Insurance	59,490.06	
Workers Compensation	2,165.78	
Ins - John	3,450.00	
Insurance Expense - Other	115.54	
Total Insurance Expense		66,725.50
Interest Expense		8,894.69
Licenses and Fees		4,313.61
Meals and Entertainment		
Meals and Entertainment-John	1,645.95	
Meals and Entertainment-Ramesh	237.16	
Meals and Entertainment-Eduard	2,544.57	
Meals and Entertainment - Other	39.32	
Total Meals and Entertainment		4,467.00
Office rent and booking		12.48

AAIT/ Technocraft Scaffold Distribution LLC
Profit & Loss
January through December 2016

		Jan - Dec 16
Office Supplies & Expenses		
Office Supplies-John	1,891.41	
Office Supplies-Eduard	1,114.64	
Office Supplies-Ramesh	2,093.37	
Office	87.70	
Office Supplies & Expenses - Other	1,457.45	
Total Office Supplies & Expenses		6,644.57
Professional Fees		
Ramesh	3,393.52	
Eduard	13,965.59	
Total Professional Fees		17,359.11
Rent Expense		141,089.88
Repairs and Maintenance		23,522.65
Shipping		
Shipping-John	2,416.10	
Shipping-Eduard	6.99	
Shipping-Claudia	243.66	
Shipping - Other	832.98	
Total Shipping		3,499.73
Subcontractors Expense		3,680.00
Taxes		
Social Security/Medicare	17,668.50	
Federal Unemployment	131.27	
Unemployment - FL	13.20	
Unemployment - TX	1,146.18	
Property	274.06	
Total Taxes		19,233.21
Telephone Expense		
John	2,006.52	
Eduard	2,322.94	
Telephone Expense - Other	788.80	
Total Telephone Expense		5,118.26
Travel		
John	9,426.36	
Eduard	12,074.06	
Ramesh	427.77	
Travel - Other	21.08	
Total Travel		21,949.27
Utilities		7,004.68
Warehouse Expenses		19,215.51
Wages		
Officer	60,000.00	
Others	174,012.65	
Wages - Other	0.00	
Total Wages		234,012.65
Total Expense		672,335.95
Net Ordinary Income		(128,275.34)
Other Income/Expense		
Other Income		
Gain on 2008 Toyota Forklift Tr		1,194.65
Sales tax Colletion Allowance		4.28
Total Other Income		1,198.93

AAIT/ Technocraft Scaffold Distribution LLC
Profit & Loss
January through December 2016

	Jan - Dec 16
Other Expense	
Depreciation Expense	16,013.00
Amortization Expense	2,258.00
Total Other Expense	18,271.00
Net Other Income	(17,072.07)
Net Income	**(145,347.41)**