Financial Statements of Subsidiary Companies

Technosoft Engineering Projects Limited,

India.

M. L. SHARMA & CO. (Regd.)
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT

To the Members of Technosoft Engineering Projects Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone IND AS financial statements of **TECHNOSOFT ENGINEERING PROJECTS LIMITED**, ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, 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 notes to the financial statements including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its Profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SA's), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

M. L. SHARMA & CO. MUMBAI

Key audit matters	How our audit addressed the key audit matter
Assessment of impairment of investment in subsidiaries, (Refer Note 6(a) od the Standalone Ind AS Balance Sheets)	
As at 31st March, 2019 the Company balance sheet includes investment in subsidiaries of ₹ 1,186.18 Lakhs, In accordance with Indian Accounting Standards (Ind-AS), the management has allocated these balances to their respective cash generating units (CGU) and tested these for impairment using a discounted cash flow model. The management compares the carrying value of these assets with their respective recoverable amount. A deficit between the recoverable amount and CGU's net assets would result in impairment. The inputs to the impairment testing model which have most significant impact on the model includes: a) Sales growth rate; b) Operating margin; c) Working capital requirements; d) Capital expenditure; and e) Discount rate applied to the projected cash flows. The impairment test model includes sensitivity testing of key assumptions. The annual impairment testing is considered a significant-accounting judgment and estimate and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the financial statements as a whole.	As a part of our audit we have, carried out the following procedures: a) We assessed the Company's methodology applied in determining the CGUs to which these assets are allocated. b) We assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used; c) We also assessed the recoverable value by performing sensitivity testing of key assumptions used. d) We tested the arithmetical accuracy of the models e) Performed analysis of the disclosures related to the impairment tests and their compliance with Indian Accounting Standard (Ind-AS).

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

M. L. SHARMA & CO. MUMBAI Chartered Accountants

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 Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are

M. SHARMA & CO. MUMBAI Firm Reg. No. Chartered Accountants inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 including the statement of Other Comprehensive Income, 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 Rules issued thereunder.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of section 164 (2) of the Act.

M. L. SHARMA & CO. MUMBAI Firm Reg. No. Chartered Accountants

(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) In our opinion, the managerial remuneration for the year ended 31st March, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) 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. 24 to the financial statement.

b. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

c. There is no amount to be transferred to the Investor Education Undertaking Protection Fund by the Undertaking.

For M. L. Sharma & Co.,
Firm Reg. No. 109963W
Chartered Accountants

M. L. SHARMA & CO. Firm Reg. No. 109963W 107, Chartered House, 297/299, Dr. C. H. Street, Mumbai - 400 002. CHARTERED ACCOUNTANTS

(V. L. Bajaj) Partner
Membership No. 104982

Place of Signature: Mumbai
Date: 24 MAY 2019

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, 2019, 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 not granted any loans or provided any guarantees or security in respect of any loans to any party covered under section 185 of the Act.

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, 2019 for a period exceeding six months from the date they became payable;

M. L. SHARMA & CO. MUMBAI Firm Reg. No. 109W Chartered Accountants

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, 2019 which have not been deposited with the appropriate authorities are as under: -

Name of the Statute	Nature of dues	Amount (₹ in Lakhs)	Forum where dispute is pending
Income Tax, 1961	Income Tax Demand for AY 2012-13	1.64	CIT Appeal, Mumbai
The CPC Act, 1908	Legal Matters	4.00	In the court of Junior Civil Judge

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.

SHARMA & CO. MUMBAI Chartered Accountants

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

M. L. SHARMA & CO. Firm Reg. No. 109963W 107, Chartered House, 297/299, Dr. C. H. Street, Mumbai - 400 002. CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: 24 MAY 2019

(V. L. Bajaj) Partner
Membership No. 104982

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, 2019. 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 31st March, 2019 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.

M. L. SHARMA & CO. MUMBAI Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, 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

M. L. SHARMA & CO. Firm Reg. No. 109963W 107, Chartered House, 297/299, Dr. C. H. Street, Mumbai - 400 002. CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: 24 MAY 2019

(V. L. Bajaj) Partner
Membership No. 104982

TECHNOSOFT ENGINEERING PROJECTS LTD.
BALANCE SHEET AS AT MARCH 31, 2019

(₹ in lakhs)

Particulars	Note No.	As at March 31,2019	As at March 31,2018
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	3	683.81	836.93
Investment Properties	4	440.77	429.08
Intangible assets	5	112.32	121.29
Financial Assets			
Non Current Investments	6(a)	2,503.78	1,450.57
Others Financial Assets	6(b)	230.37	155.54
Deferred tax Asset	7	238.50	244.47
Other Non - Current Assets	8	11.30	6.68
Total Non - Current Assets		**4,220.85**	**3,244.56**
Current Assets			
Financial Assets			
Current Investments	6(a)	676.08	544.52
Trade receivables	6(c)	859.35	1,049.94
Cash and cash equivalents	6(d)	20.88	7.14
Other Bank Balances	6(e)	-	200.00
Loans	6(f)	12.09	14.35
Others Financial Assets	6(b)	61.18	47.99
Other Current Assets	9	129.93	100.05
Total Current Assets		**1,759.51**	**1,963.99**
Total Assets		**5,980.36**	**5,208.55**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10(a)	59.50	59.50
Other Equity	10(b)	4,661.91	3,858.55
Total Equity		**4,721.41**	**3,918.05**
LIABILITIES			
Non - Current Liabilities			
Financial Liabilities			
Other financial liabilities	11(c)	183.14	124.10
Provisions	12	138.57	113.13
Other Non - Current Liabilities	13	-	4.19
Total Non - Current Liabilities		**321.71**	**241.42**

TECHNOSOFT ENGINEERING PROJECTS LIMITED MUMBAI

M. L. SHARMA & CO. MUMBAI Chartered Accountants

TECHNOSOFT ENGINEERING PROJECTS LTD.
BALANCE SHEET AS AT MARCH 31, 2019

(₹ in lakhs)

Particulars	Note No.	As at March 31,2019	As at March 31,2018
Current liabilities			
Financial Liabilities			
Current Borrowings	11(a)	293.25	490.46
Trade payables	11(b)		
Total outstanding dues of Micro & Small Enterprises		-	-
Total Outstanding dues of creditors , other than Micro & Small Enterprise		53.60	7.24
Other financial liabilities	11(c)	453.89	493.84
Provisions	12	5.09	3.07
Current Tax Liabilities (Net)	14	97.29	14.02
Other current liabilities	15	34.12	40.45
Total Current Liabilities		**937.24**	**1,049.08**
Total Equity and Liabilities		**5,980.36**	**5,208.55**

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

V.L. BAJAJ
PARTNER
M.NO 104982

TECHNOSOFT ENGINEERING PROJECTS LIMITED MUMBAI

S.K. SARAF
DIRECTOR
DIN-00035843

S.M. SARAF
DIRECTOR
DIN-00035799

PLACE: MUMBAI
DATE : 24th May, 2019

M. L. SHARMA & CO. Firm Reg. No. 109963W 107, Chartered House, 297/299, Dr. C. H. Street, Mumbai - 400 002. CHARTERED ACCOUNTANTS

TECHNOSOFT ENGINEERING PROJECTS LTD.
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakhs)

Particulars	Note No.	Year Ended March 31,2019	Year Ended March 31,2018
Income			
Revenue From Operations	16	3,675.49	3,533.10
Other Income and Other Gains/(Losses)	17	526.04	435.11
Total Income		**4,201.53**	**3,968.21**
Expenditures			
Employee benefits expense	18	2,359.07	2,469.75
Finance costs	19	30.97	40.98
Depreciation and amortisation expenses	20	301.06	257.89
Other expenses	21	426.01	1,292.20
Total expenses		**3,117.11**	**4,060.82**
Profit/(loss) before tax		**1,084.42**	**(92.61)**
Tax expense:	22		
(1) Current tax		283.06	181.22
(2) Deferred tax		3.76	(205.16)
Total tax expenses		**286.82**	**(23.94)**
Profit/(loss) for the year (A)		**797.60**	**(68.67)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability/asset(net of tax)		5.76	7.57
Other Comprehensive Income/(Expenses) for the Year(net of tax) (B)		**5.76**	**7.57**
Total Comprehensive Income for the year (A+B)		**803.36**	**(61.10)**
Earnings per equity share:	23		
Equity shares of Par value of ₹ 10 each			
Basic		134.05	(12.33)
Diluted		134.05	(12.33)

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

V.L. BAJAJ
PARTNER
M.NO 104982

TECHNOSOFT ENGINEERING PROJECTS LIMITED MUMBAI

S.K. SARAF
DIRECTOR
DIN-00035843

S.M. SARAF
DIRECTOR
DIN-00035799

PLACE: MUMBAI

DATE : 24th May, 2019

M. L. SHARMA & CO. Firm Reg. No. 109963W 107, Chartered House, 297/299, Dr. C. H. Street, Mumbai-400 002. CHARTERED ACCOUNTANTS

TECHNOSOFT ENGINEERING PROJECTS LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakhs)

	Year ended 31-Mar-2019	Year ended 31-Mar-2018
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES :		
Profit before exceptional items & tax	**1,084.42**	**(92.61)**
Add / (Less) : Adjustments to reconcile profit before tax to net cash used in operating activities		
Depreciation and impairment of property, plant and equipment	185.04	175.60
Amortisation and impairment of intangible assets	93.56	60.44
Depreciation on investment properties	22.46	21.86
Unrealised Forex Loss/ (gain)	14.39	(16.50)
Finance income (including fair value change in financial instruments)	(17.45)	(27.67)
Finance costs (including fair value change in financial instruments)	28.42	36.81
Rent Income	(355.76)	(325.52)
Remeasurement of net defined benefit plans	7.97	10.45
(Gain)/Loss on sale of property, plant & equipment	-	5.07
Net gain on sale/fair valuation of Investments through profit & loss	(120.24)	754.47
Insurance Claim Received / Compensation	(18.57)	-
Operating Profit before Working capital Changes	**924.24**	**602.40**
Working capital adjustments		
(Increase)/ Decrease in trade receivables	176.20	(700.81)
(Increase)/ Decrease in other receivables	(20.49)	133.85
Increase/ (Decrease) in trade and other payables	75.97	(29.55)
	1,155.92	**5.90**
Income Tax paid	(199.85)	(190.30)
Net Cash Inflow/(Outflow) in the course of Operating Activities (A)	**956.07**	**(184.41)**
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES :		
Payment for purchase and construction of property, plant and equipment	(160.70)	(289.73)
Purchase of financial instruments	(1,200.00)	(100.00)
Proceeds from sale of property, plant & equipment	0.55	3.00
Adjustment of Insurance claims against PPE	28.07	-
Proceeds from sale of financial instruments	135.48	5.86
Refund/ (Investment) in bank deposits for more than 3 months	99.00	25.14
Interest received	16.74	25.00
Rent Received	353.11	315.88
Net Cash Inflow/(Outflow) in the course of Investing Activities (B)	**(727.75)**	**(14.85)**
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES :		
Net Proceeds from loans and borrowings	(197.20)	228.16
Proceeds from issue of Equity shares	-	-
Finance charges paid	(17.38)	(28.74)
Net Cash Inflow/(Outflow) in the course of Financing Activities (C)	**(214.58)**	**199.42**
Net increase / (decrease) in cash and cash equivalents	13.74	0.16
Cash and cash equivalents at the beginning of the year	7.14	6.98
Cash and cash equivalents at the end of the year	**20.88**	**7.14**

TECHNOSOFT ENGINEERING PROJECTS LIMITED MUMBAI

M. L. SHARMA & CO. MUMBAI Firm Reg. No. Chartered Accountants

TECHNOSOFT ENGINEERING PROJECTS LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

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-2019	Year ended 31-Mar-2018
Balances with Banks - In current accounts	15.67	4.87
Cash on Hand	5.21	2.27
Cash and cash equivalents at the end of the year	**20.88**	**7.14**

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

V.L. BAJAJ
PARTNER
M.NO 104982

S.K. SARAF
DIRECTOR
DIN-00035843

S.M. SARAF
DIRECTOR
DIN-00035799

PLACE: MUMBAI
DATE : 24th May, 2019

TECHNOSOFT ENGINEERING PROJECTS LTD
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakhs)

EQUITY SHARE CAPITAL :	Balance as at April 01, 2017	Changes in equity share capital during the year	Balance as at March 31, 2018	Balance as at April 01, 2018	Changes in equity share capital during the year	Balance as at March 31, 2019
Paid up Capital (Equity Shares of ₹ 10/- each issued , Subscribed & Fully Paid up)	59.50	-	59.50	59.50	-	59.50

OTHER EQUITY :

Particulars	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 1,2017	459.12	2.50	1,475.00	1,986.99	(3.96)	3,919.65
Profit for the year	-	-	-	(68.67)	-	**(68.67)**
Other Comprehensive Income :						
Remeasurements of net defined benefit plans (Net of tax)	-	-	-	-	7.57	**7.57**
Balance as at March 31, 2018	**459.12**	**2.50**	**1,475.00**	**1,918.32**	**3.61**	**3,858.55**
Balance as at April 1,2018	459.12	2.50	1,475.00	1,918.32	3.61	**3,858.55**
Profit for the year	-	-	-	797.60	-	797.60
Other Comprehensive Income :						
Remeasurements of net defined benefit plans (Net of tax)	-	-	-	-	5.76	5.76
Balance as at March 31, 2019	**459.12**	**2.50**	**1,475.00**	**2,715.92**	**9.37**	**4,661.91**

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

V.L. BAJAJ
PARTNER
M.NO 104982
PLACE: MUMBAI
DATE : 24th May, 2019

M. L. SHARMA & CO.
Firm Reg. No. 109963W
107, Chartered House, 297/299, Dr. C. H. Street, Mumbai - 400 002.
CHARTERED ACCOUNTANTS

TECHNOSOFT ENGINEERING PROJECTS LIMITED
MUMBAI

For & on Behalf of Board of Directors

S.K. SARAF
DIRECTOR
DIN-00035843

S.M. SARAF
DIRECTOR
DIN-00035799

TECHNOSOFT ENGINEERING PROJECTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

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 Plot No. 47 "Opus Centre", 2nd floor, Central Road, Opposite Tunga Paradise Hotel, MIDC, Andheri (East) 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 24th May 2019.

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.

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.

TECHNOSOFT ENGINEERING PROJECTS LIMITED MUMBAI

M. L. SHARMA & CO. MUMBAI Firm Regn. No. Chartered Accountants

iv) Revenue Recognition

Effective 1st April 2018, the company has adopted Indian Accounting Standards 115 (Ind AS115) "Revenue from Contracts with Customers". There was no significant impact on the company due to adoption of Ind AS-115.

Revenue from Rendering of Services is recognized as & when the customer receives the benefits of the company performance and the company has an enforceable right to payment for services performed.

In respect of Short term advances from its customers, using the practical expedient in Ind AS-115, the company does not adjust the Promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer services to the customer and when the customer pays for that services will be within the normal operating cycle ie one year.

Revenue is net of Goods & Service Tax Collected on behalf of the Government.

Contract Balances

Contract Asset

A contract asset is the right to consideration in exchange for services transferred to the customer. If the company performed by transferring services to a customer before the customer pays consideration or before the payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade Receivables

A receivable represents the company to an amount of consideration that is unconditional (i.e. only the passage of time is required before the payment of the consideration is due).

Contract Liabilities

A Contract Liabilities is the obligation to transfer services to a customer for which the company has received consideration (or amount of consideration is due) from the customer. If a customer pays consideration before the company transfers services to the customer, a Contract Liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract Liabilities are recognized as revenue when the company performs under the Contract including Advances received from customer.

Refund Liabilities

A refund Liability is the obligation to refund some or all of the consideration received (or received) from the customer and is measured at the amount the company ultimately expects it will have to return to the customer. The company updates its estimates of refund Liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Other Income

Interest income on all debts instruments measured at amortized cost is recorded using the effective interest rate (EIR).

TECHNOSOFT ENGINEERING PROJECTS LIMITED

M. L. SHARMA & CO. MUMBAI Chartered Accountants

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of the income can be measured reliably.

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 property is measured at its cost, including related transaction cost less depreciation and impairment, if any. Investment properties are depreciated using the written down value method over their estimated useful life. Any transfer to or from Investment property is done at the carrying amount of the Investment Property.

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,

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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.

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xviii) 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.

xix) 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.

xx) Investment in Subsidiaries– Unquoted

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

xxi) 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, discounting that amount and deducting the fair value of any plan assets.

SHARMA & CO. MUMBAI Chartered Accountants

TECHNOSOFT ENGINEERING PROJECTS LIMITED MUMBAI

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 and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit & Loss.

Re-measurements which comprise of actuarial gains and losses, the return on plan assets (excluding net interest) and the effect of the asset ceiling (if any, excluding net interest), 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.

xxii) 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 (including loans to subsidiaries) 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 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.

xxiii) 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.

xxiv) 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.

xxv) 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.

xxvi) 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

xxvii) 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.

TECHNOSOFT ENGINEERING PROJECTS LIMITED MUMBAI

xxviii) 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.

xxix) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

xxx) Recent accounting pronouncements:

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the requirement of the amendment & its impact on the Financial Statements.

xxxi) Significant accounting judgements, estimates and assumptions:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise Judgement in applying the Company's accounting policies.

The estimates and judgements involves a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed .Detailed information about each of these estimates and judgements is included in relevant notes.

Critical estimates and judgements

The areas involving critical estimates or judgements are

- Estimation of current tax expenses and payable
- Estimated useful life of Intangible assets
- Estimation of defined benefit obligation
- Recognition of revenue
- Estimation of Provisions and Contingencies

TECHNOSOFT ENGINEERING PROJECTS LIMITED MUMBAI

M. L. SHARMA & CO. MUMBAI Chartered Accountants

TECHNOSOFT ENGINEERING PROJECTS LTD
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

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, 2018									
Gross Carrying Amount									
Opening Gross Carrying Amount	0.41	500.83	141.26	200.80	17.51	174.00	27.27	**1,062.08**	-
Additions	-	-	58.15	36.48	4.49	100.17	-	**199.29**	-
Disposals/Transfers	-	20.93	-	-	-	-	9.56	**30.49**	-
Closing Gross Carrying Amount	**0.41**	**479.90**	**199.41**	**237.28**	**22.00**	**274.17**	**17.71**	**1,230.88**	**-**
Accumulated Depreciation									
Opening Accumulated Depreciation	0.02	47.36	33.69	59.95	6.16	63.74	9.94	**220.86**	
Depreciation charge during the year	0.01	21.01	29.78	40.51	5.78	74.39	4.12	**175.60**	-
Disposals/Transfers	-	1.02	-	-	-	-	1.49	**2.51**	
Closing Accumulated Depreciation	**0.03**	**67.35**	**63.47**	**100.46**	**11.94**	**138.13**	**12.57**	**393.95**	**-**
Net Carrying Amount	**0.38**	**412.55**	**135.94**	**136.82**	**10.06**	**136.04**	**5.14**	**836.93**	-
Year Ended March 31, 2019									
Gross Carrying Amount									
Opening Gross Carrying Amount	0.41	479.90	199.41	237.28	22.00	274.17	17.71	**1,230.88**	-
Additions	-	-	10.61	2.64	11.02	51.84	-	**76.11**	-
Disposals/Transfers	-	40.71	3.85	-	0.87	18.04	-	**63.47**	-
Closing Gross Carrying Amount	**0.41**	**439.19**	**206.17**	**239.92**	**32.15**	**307.97**	**17.71**	**1,243.52**	**-**
Opening Accumulated Depreciation	0.03	67.35	63.47	100.46	11.94	138.13	12.57	**393.95**	-
Depreciation charge during the year	0.01	18.33	35.64	26.53	15.71	87.08	1.74	**185.04**	-
Disposals/Transfers	-	6.56	1.07	-	0.15	11.50	-	**19.28**	-
Closing Accumulated Depreciation	**0.04**	**79.12**	**98.04**	**126.99**	**27.50**	**213.71**	**14.31**	**559.71**	**-**
Net Carrying Amount	**0.37**	**360.07**	**108.13**	**112.93**	**4.65**	**94.26**	**3.40**	**683.81**	**-**

Note

i) All Property, Plant & Equipment are held in the name of the company

ii) Refer to Note No 25 for information on Property,Plant & Equipment Pledged as Security by the Company.

(₹ in lakhs)

Note 4 : Investment Properties

Particulars	As at March 31, 2019	As at March 31, 2018
Gross Carrying Amount		
Opening Gross Carrying Amount	497.00	476.07
Transfer from PPE	40.71	20.93
Closing Gross Carrying Amount	**537.71**	**497.00**
Accumulated Depreciation		
Opening Accumulated Depreciation	67.92	45.04
Depreciation Charge	22.46	21.86
Transfer from PPE	6.56	1.02
Closing Accumulated Depreciation	**96.94**	**67.92**
Net Carrying Amount	**440.77**	**429.08**

i) Amount recognised in profit and loss for investment properties

Particulars	As at March 31, 2019	As at March 31, 2018
Rental Income	353.66	325.52
Direct Operating expenses from property that generated rental income	9.83	13.95
Direct Operating expenses from property that did not generate rental income	-	-
Profit from Investment Properties before Depreciation	**363.49**	**339.47**
Depreciation	22.46	21.86
Profit from Investment Properties	**341.03**	**317.61**

ii) Fair Value

Particulars	As at March 31, 2019	As at March 31, 2018
Investment Properties	5,164.87	4,781.40

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, 2019	As at March 31, 2018
Within one year	280.92	178.77
Later than one year but not later than 5 years	579.29	378.22
Later than 5 years	-	-

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Note 5 : Intangible assets

Particulars	Computer Software *	Total
Year Ended 31 March 2018		
Gross Carrying Amount		
Opening Gross Carrying Amount	226.89	226.89
Additions during the year	90.44	90.44
Closing Gross Carrying Amount	**317.33**	**317.33**
Accumulated Amortisation and Impairment		
Opening Accumulated Amortisation	135.60	135.60
Amortisation charge for the year	60.44	60.44
Closing Accumulated Amortisation and Impairment	**196.04**	**196.04**
Closing Net Carrying Amount	**121.29**	**121.29**
Year Ended 31 March 2019		
Gross Carrying Amount		
Opening Gross Carrying Amount	317.33	317.33
Additions during the year	84.59	84.59
Closing Gross Carrying Amount	**401.92**	**401.92**
Accumulated Amortisation and Impairment		
Opening Accumulated Amortisation	196.04	196.04
Amortisation Charge for the year	93.56	93.56
Closing Accumulated Amortisation and Impairment	**289.60**	**289.60**
Closing Net Carrying Amount	**112.32**	**112.32**

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

Note - 6 : Financial Assets

Note 6(a) : Non Current Investments

Particulars	As at March 31, 2019	As at March 31, 2018
Investment In Equity Instruments (Fully Paid up, Unless other wise stated)		
Investment In Equity Instrument Of Subsidiaries & Joint Venture(At Cost)		
Unquoted		
1996.80 units of Technosoft Engineering Solution Inc (USA) (P.Y. 1996.80 units)	1,135.97	1,135.97
54,000 of Technosoft GMBH (P.Y. 54,000)	50.21	50.21
1 unit of Technosoft Engineering UK (₹ 85) (P.Y. 1 unit)	0.00	0.00
Total (Equity Instrument)	**1,186.18**	**1,186.18**
Investment In Mutual Funds (at Fair Value through Profit & Loss)		
Quoted		
NIL units of ₹10 each of HDFC FMP 1132D February 2016 (P.Y.5,00,000 units)	-	59.35
10,00,000 units of ₹10 each of HDFC EOF-II-1100D June 2017 (P.Y.10,00,000 units)	104.37	95.62
10,00,000 units of ₹10 each of HDFC FMP 1170D February 2017 (P.Y.10,00,000 units)	117.46	109.42
20,00,000 units of ₹ 10 each of HDFC FMP 1105D AUGUST 2018 (2) (P.Y.NIL units)	212.74	-
20,00,000 units of ₹10 each of HDFC FMP 1126D MARCH 2019 (1) (P.Y.NIL units)	201.98	-
10,00,000 units of ₹10 each of HDFC FMP 1133D JULY 2018 (1) (P.Y.NIL units)	106.64	-
15,00,000 units of ₹10 each of HDFC FMP 1141D AUGUST 2018 (1) (P.Y.NIL units)	157.14	-
20,00,000 units of ₹10 each of HDFC FMP 1182D JANUARY 2019 (1) (P.Y.NIL units)	205.45	-
20,00,000 units of ₹10 each of HDFC FMP 1260D OCTOBER 2018(1) (P.Y.NIL units)	211.82	-
Total (Mutual Funds)	**1,317.60**	**264.39**
Total Non - Current Investments	**2,503.78**	**1,450.57**
Aggregate Amount of Quoted Investments	1,317.60	264.39
Aggregate Market value of Quoted Investments	1,317.60	264.39
Aggregate Amount of Unquoted Investments	1,186.18	1,186.18

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Note 6(a) : Current Investments

Particulars	As at March 31, 2019	As at March 31, 2018
Investment In Mutual Funds (at Fair Value through Profit & Loss)		
Quoted		
NIL units of ₹10 each of HDFC Balanced Fund (P.Y.90,086.20 units)	-	131.35
10,69,930.36 units of ₹10 each of HDFC Equity Savings Fund (P.Y. 6,56,946.133 units)	402.91	226.99
3,74,408.435 units of ₹10 each of HDFC Corporate Debt Opportunities Fund (P.Y.3,74,408.435 units)	57.12	53.96
22,351.513 units of units of ₹10 each of HDFC Equity Fund (P.Y. 22,351.513 units)	152.26	132.22
5,00,000 units of ₹10 each of HDFC FMP 1132D February 2016 (P.Y.NIL units)	63.79	-
Total (Mutual Funds)	**676.08**	**544.52**
Total Current Investments	**676.08**	**544.52**
Aggregate Amount of Quoted Investments	676.08	544.52
Aggregate Market value of Quoted Investments	676.08	544.52

Note 6(b) : Others Financial Assets

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non - Current	Current	Non - Current
Security Deposits with :				
Government Department	-	27.42	-	16.22
Others	41.75	1.95	0.94	39.32
Other Receivables	16.36	-	42.69	-
Interest Receivables	3.07	-	4.36	-
Fixed Deposit with maturity more than12 Months*	-	201.00	-	100.00
Total Other Financial Assets	**61.18**	**230.37**	**47.99**	**155.54**

* Fixed Deposit are pledged against Bank Overdraft / Bank Guarantee.Refer Note No 25 for details of Fixed Deposits Pledged as Security.

Note 6(c) : Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Receivables (other than related parties)	35.54	81.94
Receivables from related parties (Refer Note No 26)	823.81	968.00
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables -Credit Impaired	-	-
Less : Allowance for doubtful trade receivables	-	-
Total Trade Receivables	**859.35**	**1,049.94**
Current Portion	859.35	1,049.94
Non - Current Portion	-	-
Break-up of security details		
Secured ,Considered good	-	-
Unsecured , Considered good	859.35	1049.94
Doubtful	-	-
Total	**859.35**	**1049.94**
Allowance for doubtful Trade Receivables	-	-
Total Trade Receivables	**859.35**	**1,049.94**

Note 6(d) : Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
- In current accounts	15.67	4.87
Cash on Hand	5.21	2.27
Total Cash and Cash Equivalents	**20.88**	**7.14**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 6(e) : Other Bank Balances

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Deposit Accounts Between 3 & 12 Months*	-	200.00
Total Other Bank Balances	**-**	**200.00**

* Fixed Deposit are pledged against Bank Overdraft / Bank Guarantee .Also Refer Note No 25 for details of Fixed Deposits Pledged as Security.

Note 6(f) : Loans

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non - Current	Current	Non - Current
Unsecured,considered good				
Loans To Employees	12.09	-	14.35	-
Total Loans	**12.09**	**-**	**14.35**	**-**

Breakup	As at March 31, 2019	As at March 31, 2018
Loan Considered good-Secured	-	-
Loan Considered good-Unsecured	12.09	14.35
Loans which have significant increase in credit risk	-	-
Loans -credit impaired	-	-
Total	**12.09**	**14.35**
Less Allowance for Doubtful Loans	-	-
Total Loans	**12.09**	**14.35**

Note 7 : Deferred tax Asset

The balance comprises temporary differences attributable to :

Particulars	As at March 31, 2019	As at March 31, 2018
Accelerated Depreciation for tax purpose	10.23	30.62
Amount allowable on payment basis under Incoem Tax Act	37.75	32.02
Tax Losses	221.27	219.14
Total Deferred Tax Assets	**269.25**	**281.78**
Fair Valuation of Financial assets and financial liabilities	25.79	30.01
Financial assets at Fair Value through Profit and Loss	0.14	0.14
Others	4.82	7.16
Set - off of deferred tax liabilities pursuant to set - off provisions	**30.75**	**37.31**
Net Deferred Tax Assets	**238.50**	**244.47**

Note 8 : Other Non - Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	-	3.31
Prepaid Expenses	11.30	3.37
Total Other Non Current Asset	**11.30**	**6.68**

Note 9 : Other Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid Expenses	64.05	51.66
Balance With Statutory Authorities	37.50	47.37
Others	28.38	1.02
Total Other Current Asset	**129.93**	**100.05**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note - 10 : Equity Share Capital & Other Equity

Note 10(a) : Equity Share Capital

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised		
6,00,000 (P.Y. 6,00,000) Equity Shares Of ₹10/- Each	60.00	60.00
	60.00	**60.00**
Issued, Subscribed and Fully Paid Up		
5,95,011(P.Y. 5,95,011) Equity Shares of ₹10/- Each Fully Paid Up	59.50	59.50
	59.50	**59.50**

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, 2019		As on March 31, 2018	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	5,95,011	59.50	5,95,011	59.50
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,95,011	59.50	5,95,011	59.50

D) Shares held by Holding Company

Particulars	As on March 31, 2019		As on March 31, 2018	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Technocraft Industries (India) Ltd	4,99,930	49.99	4,99,930	49.99

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

Name of the Sharholder	Equity Shares			
	As on March 31, 2019		As on March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Technocraft Industries (India) Ltd	4,99,930	84.02%	4,99,930	84.02%
Girish G Godbole	41,651	7.00%	41,651	7.00%

F) The Company has not issued any equity shares as bonus or for Consideration other than cash.

Note 10(b) : Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Redemption Reserve	2.50	2.50
Others :		
Securities Premium	459.12	459.12
General Reserve	1,475.00	1,475.00
Retained Earnings	2,725.29	1,921.93
Total Reserves and Surplus	**4,661.91**	**3,858.55**

(i) Capital Redemption Reserve

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	2.50	2.50
Closing Balance	**2.50**	**2.50**

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(ii) Security Premium

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	459.12	459.12
Add: During the year	-	-
Closing Balance	**459.12**	**459.12**

(iii) General Reserve

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	1,475.00	1,475.00
Closing Balance	**1,475.00**	**1,475.00**

(iv) Retained Earnings

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	1,921.93	1,983.03
Add : Total Comprehensive Income for the year	803.36	(61.10)
Closing Balance	**2,725.29**	**1,921.93**

Capital Redemption Reserve

Represent Reserve created during the buyback of Equity Shares and it is non distributable Reserve.

Security Premium

The amount received in excess of Face Value of the equity shares is recognised in securities premium.

General Reserve

The reserve arises on transfer portion of the net profit pursuant to the earlier Provisions of the Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Note 11(a) : Current Borrowings

Particulars	Interest Rate	As at March 31, 2019	As at March 31, 2018
Secured			
From Bank			
H.D.F.C. Bank - Overdraft		42.29	195.89
Unsecured			
From Related Party			
Ashrit Holdings Ltd	10%	250.96	294.56
(Terms Of Repayment - On Demand)			
Total Current Borrowings		**293.25**	**490.46**

Nature of Security

Overdraft from H.D.F.C. Bank are Secured Against Fixed Deposits of the Company.

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Note 11(b) : Trade payables

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Current		
Amounts due to related parties	-	-
Total Outstanding dues to Micro & Small Enterprises	-	-
Others	53.60	7.24
Total Trade Payables	**53.60**	**7.24**

Dues to Micro and Small Enterprises

The Company does not have any dues to suppliers registered under Micro , Small and Meduim Enterprises Development Act ,2006 ('MSMED Act").

Particulars	**As At March 31, 2019**	**As at March 31, 2018**
The Principal amount remaining unpaid to any supplier at the end of the year	-	-
Interest due remaining unpaid to any supplier at the end of the year	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act , 2006, along with the amount of the payment made to the Supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act , 2006.	-	-
The amount of Interest accured and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years , until such date when the Interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act ,2006	-	-

Note-Disclosure of payable to vendors as defined under the "Micro , Small and Meduim Enterprise Development Act ,2006" is based on the information available with the Company regarding the Status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balancsheet date .There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on Balance brought forward from previous year.

Note 11(c) : Other financial liabilities

Particulars	**As on March 31, 2019**		**As at March 31, 2018**	
	Current	**Non - Current**	**Current**	**Non - Current**
Security Deposits with :				
Others	24.73	183.14	68.04	124.10
Liabilities For Expenses	429.16	-	425.80	-
Total Financial Liabilites	**453.89**	**183.14**	**493.84**	**124.10**

Note 12 : Provisions

Particulars	**As on March 31, 2019**		**As at March 31, 2018**	
	Current	**Non - Current**	**Current**	**Non - Current**
Provision For Leave Salary Encashment	1.12	24.20	0.81	19.89
Provision For Gratuity	3.97	114.37	2.26	93.24
Total Employee Benefit Obligations*	**5.09**	**138.57**	**3.07**	**113.13**

*Also refer Note No. 27 of Employee Benefits

Note 13 : Other Non - Current Liabilities

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Prepaid Rent Income	-	4.19
Total Other Current Liabilities	-	**4.19**

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Note 14 : Current Tax Liabilities (Net)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision For Taxation	1,060.25	777.19
Less : Advance Tax	962.96	763.17
Total Current Tax Liabilities	**97.29**	**14.02**

Note 15 : Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Advances from customers	-	1.00
Prepaid Rent Income	-	8.18
Other Liabilities	34.12	31.27
Total Other Current Liabilities	**34.12**	**40.45**

Note 16 : Revenue From Operations

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Rendering Of Services		
Export (Net)	3,478.78	3,300.76
Local Sales	196.71	232.34
Total Revenue from Continuing Operations	**3,675.49**	**3,533.10**

Contract Balances

Particulars	Year Ended March 31, 2019
Trade Receivables	859.35
Contract Liabilities (Advances from Customers)	-

Reconciling the Amount of Revenue recognised in the statement of Profit & Loss with the Contracted Prices

Particulars	Year Ended March 31, 2019
Contract Price	3,717.09
Less Discount , rebates , Returns etc	41.60
Total Revenue from Operations as per statement of Profit & Loss	**3,675.49**

Note 17 : Other Income and Other Gains/(Losses)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Rental Income	355.76	325.52
Net Gain on financial assets measured through fair value through profit and loss	116.11	48.54
Net Gain on Disposal of Investments mandatorily measured at fair value through profit and loss	4.13	-
Net Foreign Exchange Gain	9.84	17.90
Interest Income	17.45	27.67
Other Non Operating Income	22.75	15.48
Total Other Income	**526.04**	**435.11**

Note 18 : Employee benefits expense

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Salaries, Wages, Bonus, allowances Etc.	2,253.82	2,392.76
Contribution To Providend Fund, ESIC & Other Funds	47.87	33.24
Gratutity Expenses (Refer Note No. 27 of Employee Benefits)	31.46	27.14
Staff Welfare Expenses	25.92	16.61
Total Employee Benefits Expense	**2,359.07**	**2,469.75**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 19 : Finance costs

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest		
Interest Expenses (net)	28.42	36.81
Other Finance Cost		
Bank Charges	2.55	4.17
Finance Cost expensed in Profit or Loss	**30.97**	**40.98**

Note 20 : Depreciation and amortisation expenses

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Depreciation on Property,Plant and Equipment	185.04	175.60
Depreciation on Investment Properties	22.46	21.86
Amortisation of Intangible Assets	93.56	60.43
Total Depreciation and amortisation expense	**301.06**	**257.89**

Note 21 : Other expenses

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Advertisement	9.07	3.69
Computer Expense	80.63	59.49
Repairs & Maintainence		
Buildings	17.45	23.55
Others	39.86	60.01
Power & Electricity	61.75	42.04
Water Charges	1.48	1.53
Commission/Brokerage	0.18	0.24
Sales Promotion	1.43	1.14
Traveling & Conveyance Expenses	40.04	104.11
Vehicle Exps	11.32	9.35
Legal & Professional Exps	53.79	51.15
Licence & Membership Fees	4.17	3.04
Rent, Rates & Taxes	47.21	41.91
Insurance (General)	1.41	0.77
Engineering & Design Charges	13.54	33.61
Technical Training Expenses	0.61	-
Printing & Stationery	3.92	3.78
Postage,Telegram & Telephone Exp.	33.87	29.46
Miscellaneous Expenses	1.89	4.51
Loss on sale Investments	-	803.01
Loss on sale of Fixed Assets	-	5.07
Payment to Auditors - Note 21 (a) below	2.18	2.35
Net Foreign Exchange Losses	-	-
Sundry Balance written Off	0.21	8.39
Total Other expenses	**426.01**	**1,292.20**

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

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Payment to Auditors		
As Auditor :		
Audit Fee	1.50	1.50
Tax Audit Fee	0.50	0.50
		-
In other capacities :		-
Re - imbursement Expenses	0.18	0.35
Total Payment to Auditors	**2.18**	**2.35**

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Note 22 : Tax Expense

(a) Amounts recognised in profit or loss

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Current tax expense (A)		
Current year	283.06	182.32
Taxation of earlier years	-	(1.10)
	283.06	181.22
Deferred tax expense (B)		
Origination and reversal of temporary differences	3.76	(205.16)
Tax expense recognised in the income statement (A+B)	**286.82**	**(23.94)**

(b) Amounts recognised in other comprehensive income

Particulars	2018-19			2017-18		
	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	7.97	2.22	5.75	(14.43)	(4.99)	(9.44)
	7.97	**2.22**	**5.75**	**(14.43)**	**(4.99)**	**(9.44)**

(c) Reconciliation of effective tax rate

Particulars	Year Ended March 31,2019	Year Ended March 31,2018
Profit before tax	**1,084.42**	**(92.61)**
Tax using the domestic tax rate (Current year 27.82% and Previous Year 27.55%)	301.69	(25.52)
Tax effect of :		
Tax effect on non-deductible expenses	2.74	6.67
Excess of depreciation over books under income tax	46.05	4.97
Exempt Income	(5.17)	
Deductions under various sections of Income Tax Act, 1961	(30.79)	(27.93)
Tax Adjustment of earlier years	-	(1.10)
Effect of taxation of Capital Gains	(2.13)	222.65
Others	(25.57)	(203.67)
Tax expense as per Statement of Profit & Loss	**286.82**	**(23.93)**
Effective tax rate	**26.45%**	**25.84%**

Movement in deferred tax balances

Particulars	31/03/2019				
	As at 1st April, 2018 Deferred Tax Asset/(Liabilities)	Credit / (Charge) in profit or loss	Credit / (Charge) in OCI	As at 31st March, 2019	Deferred tax Asset/ (Liability)
Deferred tax Assets/ (Liabilities)					
Property, plant and equipment & Intangible assets	30.62	(20.39)	-	10.23	10.23
Tax Losses	219.14	2.13	-	221.27	221.27
Employee benefits	32.02	7.95	(2.22)	37.75	37.75
Investments	(30.01)	4.22	-	(25.79)	(25.79)
Other Non - Current Financial Liabilities	(0.14)	-	-	(0.14)	(0.14)
Others	(7.15)	2.33	-	(4.82)	(4.82)
Deferred Tax Assets/(Liabilities) - Net	**244.47**	**(3.76)**	**(2.22)**	**238.50**	**238.50**

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	31/03/2018				
Particulars	**As at 1st April, 2017 Deferred Tax Asset/(Liabilities)**	**Credit / (Charge) in profit or loss**	**Credit / (Charge) in OCI**	**As at 31st March, 2018**	**Deferred tax Asset/ (Liability)**
Deferred tax Assets/(Liabilities)					
Property, plant and equipment & Intangible assets	18.12	12.50	-	30.62	30.62
Tax Losses	13.40	205.74	-	219.14	219.14
Employee benefits	31.69	3.21	(2.88)	32.02	32.02
Investments	(20.90)	(9.11)	-	(30.01)	(30.01)
Other Non - Current Financial Liabilities	(0.11)	(0.03)	-	(0.14)	(0.14)
Others	-	(7.16)	-	(7.16)	(7.16)
Deferred Tax Assets/(Liabilities) - Net	**42.20**	**205.15**	**(2.88)**	**244.47**	**244.47**

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 31,2019**	**Year Ended March 31,2018**
Weighted average number of Equity Shares of ₹ 10 each		
Number of shares at the beginning of the period	5,95,011	5,95,011
Number of shares at the end of the period	5,95,011	5,95,011
Weighted average number of shares outstanding during the period	5,95,011	5,57,012
Weighted average number of Potential Equity shares outstanding during the year	5,95,011	5,57,012
Total number of Potential Equity Share for calculating Diluted Earning Per share	5,95,011	5,57,012
Net Profit \ (Loss) after tax available for equity shareholders	**797.60**	**(68.67)**
Basic Earning per share (in ₹)	**134.05**	**(12.33)**
Diluted Earning per share (in ₹)	**134.05**	**(12.33)**

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(₹ in lakhs)

Note 24 : Contingent Liabilities (to the extent not Provided for)

Contingent Liabilities not provided for	As at March 31, 2019	As at March 31, 2018
Demands not acknowledged as Debts (net)		
Central Sales Tax Act,1956 - CST for FY 2007-2008	-	1.57
Income Tax Demand for A.Y 12-13*	1.64	1.64
Legal Matters	4.00	4.00
* Includes penalty u/s 271(c) amounting to ₹ 1.64 lacs		

Note- 25 Assets Pledged as Security

The carrying amount of assets Pledged as security for Current & non current borrowings are as below :

Particulars	As at March 31, 2019	As at March 31, 2018
Non Current Assets		
Leasehold Land	0.37	0.38
Investment Property	417.42	404.53
Factory Building	360.07	412.53
Other Financial Assets		
Fixed Deposits with Bank	201.00	100.00
Total Non Current Assets Pledged as security	**978.86**	**917.06**
Other Financial Assets		
Fixed Deposits with Banks	-	200.00
Total Current Assets Pledged as security	**-**	**200.00**
Total Assets Pledged as Security	**978.86**	**1,117.06**

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Note 26 : 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.Technosoft GMBH
(Formerly Known as CAE Systems GMBH)
3.Technosoft Engineering UK Ltd

Step down Subsidiary Companies
1.Swift Projects Inc.
2 Technosoft Innovations Inc.
3.Technosoft Services Inc, USA
4.2045690 Alberta Ltd., Canada (Formerly Known as Step Engineering)

Fellow Subsidiaries
1.Technocraft Trading Sp. Zoo
2.Technocraft Australia PTY Ltd.
3.Technocraft International Limited
4.Anhui Reliable Steel Company Ltd.
5.Shreyan Infra & Power LLP
6.Paithan Eco Food Pvt. Ltd.(Erstwhile Technocraft Closure Pvt Ltd. (upto 22.06.2018)
7.TIL Marketing Pvt Ltd.(Upto 26.12.2018)
(Formerly known as TIL Packaging Pvt Ltd)
8.Techno Defence Pvt. Ltd.
9.Highmark International Trading ,UAE
10.AAIT /Technocraft Scaffold Distribution LLC,USA
11.Crosswall International Trading Ltd, UAE
12.Swift Engineering Inc.(Upto 07.02.2019)
13.Technocraft NZ Limited

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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
3.Paithan Eco. Food Pvt. Ltd.(Erstwhile Technocraft Closure Pvt Ltd.) (From 23.06.2018)

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Relative of KMP

1.Ritu Saraf

(₹ in lakhs)

Transcations during the Year	2018-19	2017-18
A.Sales of Goods & Services		
Holding Company		
1.Technocraft Industries (India) Ltd.	154.60	166.49
Subsidiary Companies/Step down Subsidiary Companies		
1.Technosoft Engineering Inc.	2,710.34	1,939.10
(Formerly Known as Impact Engineering Solutions Inc.)		
2. Technosoft Innovations Inc.	196.98	222.01
3. 2045690 Alberta Ltd., Canada (Formerly Known as Step Engineering)	1.82	2.04
4.Technosoft Engineering UK Ltd	15.65	233.05
5.Technosoft GMBH	83.47	-
Fellow Subsidiaries		
1.Technocraft International Limited	218.11	573.18
2.AAIT /Technocraft Scaffold Distribution LLC,USA	8.51	-
Enterprises in which KMP are Interested		
1.BMS Industries Ltd	40.93	48.88
2.Paithan Eco Food Pvt. Ltd.	0.77	-
B.Interest Paid		
Enterprises in which KMP are Interested		
1.Ashrit Holdings Limited	15.51	27.00
C.Loan Repaid		
Enterprises in which KMP are Interested		
1.Ashrit Holdings Limited	4,290.57	2,871.50
D.Loan Taken		
Enterprises in which KMP are Interested		
1.Ashrit Holdings Limited	4,246.97	2,979.80
E.Recovery of Expenses		
Subsidiary Companies/Step down Subsidiary Companies		
1.Technosoft Engineering Inc.	89.06	59.47
(Formerly Known as Impact Engineering Solutions Inc.)		
2. Technosoft Innovations Inc.	100.95	116.69
3.2045690 Alberta Ltd., Canada (Formerly Known as Step Engineering)	-	2.44
4.Technosoft Engineering UK Ltd	11.02	21.10
5.Technocraft International Limited	0.22	0.70
6.Technosoft GMBH	10.01	-
F.Reimbursement of Foreign Tavelling Expenses		
Subsidiary Companies /Step down Subsidiary Companies		
1.Technosoft Engineering Inc.	6.25	15.77
(Formerly Known as Impact Engineering Solutions Inc.)		
2. Technosoft Innovations Inc.	0.04	-

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G.Reimbursement of Expenses		
Fellow Subsidiaries/Subsidiary Companies		
1.Technocraft International Limited	4.36	275.56
2.Technosoft Engineering UK Ltd	-	188.77
3.Technosoft Engineering Inc.	4.53	0.38
(Formerly Known as Impact Engineering Solutions Inc.)		
4. Technosoft Innovations Inc.	0.43	0.71
5.Technosoft GMBH	0.65	-
H.Investment in Equity Shares		
Subsidiary Companies		
1.Technosoft Engineering UK Ltd	-	0.00
(Investment made of Rs. 85/- in Previous year)		
J.Sale of Subsidiary		
Fellow Subsidiaries		
1.Highmark International Trading ,UAE	-	5.87
2.Swift Engineering Inc.	808.88	-
K.Professional Fees Paid		
Relative of KMP		
Ritu Saraf	9.00	-

₹ in Lakhs

Amount due to / From Related Parties	**As at 31st March 2018**	**As at 31st March 2017**
A.Trade & Other Receivables		
Subsidiary Companies /Step down Subsidiary Companies		
1.Technosoft Engineering Inc.	665.62	562.00
(Formerly Known as Impact Engineering Solutions Inc.)		
2. Technosoft Innovations Inc.	69.53	199.93
3.2045690 Alberta Ltd., Canada (Formerly Known as Step Engineering)	0.83	4.55
4.Technosoft Engineering UK Ltd	10.55	150.86
5.BMS Industries Ltd	-	7.59
6.Technosoft GMBH	13.08	-
Fellow Subsidiaries		
1.Technocraft International Limited	63.16	73.10
2.AAIT /Technocraft Scaffold Distribution LLC,USA	1.04	-
A.Loan payable		
Enterprises in which KMP are Interested		
1.Ashrit Holdings Limited	250.96	294.56

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 27 : DISCLOSURE PURSUANT TO Ind AS - 19 "EMPLOYEE BENEFITS"

(₹ in lakhs)

[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.

Amount recognised in the Statement of Profit and Loss	2018-19	2017-18
Defined Contribution Scheme	39.60	25.95

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:

Particulars	Defined Benefit Plans	
	As at 31-Mar-19	As at 31-Mar-18
Present value of unfunded obligations	118.34	95.50
Fair Value of plan assets	-	-
Net (Asset)/Liability recognised	**118.34**	**95.50**

Changes in Defined benefit obligations

Particulars	Present value of obligations	
	2018-19	2017-18
Defined Obligations at the beginning of the year	95.50	80.48
Current service cost	24.19	21.25
Past service cost	-	-
Interest Cost/(Income)	7.27	5.89
Return on plan assets excluding amounts included in net finance income		
Actuarial (gain)/loss arising from changes in financial assumptions	(1.63)	(4.10)
Actuarial (gain)/loss arising from experience adjustments	(6.34)	(6.35)
Employer contributions	-	-
Benefit payments	(0.64)	(1.67)
Defined Obligations at the end of the year	**118.35**	**95.50**

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Statement of Profit and Loss

Employee benefit expenses :	**2018-19**	**2017-18**
Current Service cost	24.19	21.25
Interest cost/ (Income)	7.27	5.89
Total amount recognised in Statement of P&L	**31.46**	**27.14**
Remeasurement of the net defined benefit liability :		
Return on plan assets excluding amounts included in net finance income/(cost)	-	-
Change in Financial Assumptions	(1.63)	(4.10)
Experience gains/(losses)	(6.34)	(6.35)
Total amount recognised in Other Comprehensive Income	**(7.97)**	**(10.45)**

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-19**	**As at 31-Mar-18**
Discount rate (p.a.)	7.80%	7.70%
Salary escalation rate (p.a.)	5.00%	5.00%
Withdrawal Rates (p.a.)	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)

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

Particulars		**As at 31-Mar-19**	**As at 31-Mar-18**
		Increase/Decrease in liability	**Increase/Decrease in liability**
Discount rate varied by 0.5%			
	0.50%	110.61	89.15
	-0.50%	126.82	102.46
Salary growth rate varied by 0.5%			
	0.50%	127.01	102.62
	-0.50%	110.38	88.97
Withdrawal rate (W.R.) varied by 10%			
	W.R.* 110%	119.05	96.03
	W.R.* 90%	117.61	94.95

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The sensitivity analysis 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 2019 & as at 31st March 2018 were as follows:

Expected contribution	As at 31st March 2019	As at 31st March 2018
Projected benefits payable in future years from the date of reporting		
1st following year	3.97	2.26
2nd following year	2.94	2.56
3rd following year	3.27	2.63
4th following year	3.60	2.90
5th following year	3.91	3.13
Years 6 to 10	27.79	22.09

[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.

Particulars	Defined Benefit Plans	
	As at 31-Mar-19	As at 31-Mar-18
Present value of unfunded obligations	25.31	20.70
Net (Asset)/Liability recognised	**25.31**	**20.70**

Reconciliation of balances of Defined Benefit Obligations.

	Leave Encashment - Unfunded	
	2018-19	2017-18
Defined Obligations at the beginning of the year	20.70	15.36
Current Service Cost	16.65	13.93
Interest Cost	1.56	1.19
Actuarial loss/(gain) due to change in financial assumptions	(0.34)	0.41
Actuarial loss/ (gain) due to experience adjustments	(9.28)	(7.10)
Benefits paid	(3.98)	(3.09)
Defined Obligations at the end of the year	**25.31**	**20.70**

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Amount recognised in Statement of Profit and Loss

Particulars	2018-19	2017-18
Current Service Cost	16.65	13.93
Net Interest Cost	1.56	1.19
Net value of remeasurements on the obligation and plan assets	(9.62)	(6.69)
Total amount recognised in Statement of P&L	**8.59**	**8.43**
Return on plan assets excluding amounts included in net finance income/(cost)		
Change in Financial Assumptions	(0.34)	0.41
Experience gains/(losses)	(9.28)	(7.10)
Net Acturial Loss/(Gain)	**(9.62)**	**(6.69)**

Major Actuarial Assumptions

Particulars	2018-19	2017-18
Discount Rate (%)	7.80%	7.70%
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 2019 & as at 31st March 2018 were as follows:

Expected contribution	As at 31st March 2019	As at 31st March 2018
Projected benefits payable in future years from the date of reporting		
1st following year	1.12	0.81
2nd following year	0.75	0.65
3rd following year	0.76	0.66
4th following year	0.79	0.65
5th following year	0.82	0.64
Years 6 to 10	7.07	6.23

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Note 28: 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 indirectly (i.e. derived from prices).

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 2019	**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	1,317.60	-	-	1,317.60	1,317.60	-	-	1,317.60
Current :								
Investment In Mutual Funds	676.08	-	-	676.08	676.08	-	-	676.08
Financial assets at amortised cost								
Non-current :								
Deposits	-	-	230.37	230.37	-	-	-	-
Current :								
Deposits	-	-	41.75	41.75	-	-	-	-
Loan to Employees	-	-	12.09	12.09	-	-	-	-
Cash and cash equivalents	-	-	20.88	20.88	-	-	-	-
Other Bank Balances	-	-	-	-	-	-	-	-
Trade receivables	-	-	859.35	859.35	-	-	-	-
Others	-	-	19.43	19.43	-	-	-	-
	1,993.68	**-**	**1,183.88**	**3,177.56**	**1,993.68**	**-**	**-**	**1,993.68**
Financial liabilities at amortised cost								
Term loans	-	-	293.25	293.25	-	-	-	-
Trade and Other Payables	-	-	53.60	53.60	-	-	-	-
Deposits	-	-	207.87	207.87	-	-	-	-
Other Current Financial Liabilities (including current maturities of loans)	-	-	463.28	463.28	-	-	-	-
	-	**-**	**1,018.00**	**1,018.00**	**-**	**-**	**-**	**-**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakhs)

	Carrying amount				Fair value			
31st March 2018	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	264.39	-	-	264.39	264.39	-	-	264.39
Current :								
Investment In Mutual Funds	544.52	-	-	544.52	544.52	-	-	544.52
								-
Financial assets at amortised cost								-
Non-current :								-
Deposits	-	-	155.54	155.54	-	-	-	-
								-
Current :								-
Deposits	-	-	0.94	0.94	-	-	-	-
Loan to Employees	-	-	14.35	14.35	-	-	-	-
Cash and cash equivalents	-	-	7.14	7.14	-	-	-	-
Other Bank Balances	-	-	200.00	200.00	-	-	-	-
Trade receivables	-	-	1,049.94	1,049.94	-	-	-	-
Others	-	-	47.05	47.05	-	-	-	-
	808.91	**-**	**1,474.96**	**2,283.87**	**808.91**	**-**	**-**	**808.91**
Financial liabilities at amortised cost								-
Term loans	-	-	490.46	490.46	-	-	-	-
Trade and Other Payables	-	-	7.24	7.24	-	-	-	-
Deposits	-	-	192.14	192.14	-	-	-	-
Other Current Financial Liabilities (including current maturities of loans)	-	-	457.07	457.07	-	-	-	-
	-	**-**	**1,146.91**	**1,146.91**	**-**	**-**	**-**	**-**

During the reporting period ended March 31, 2019 and March 31, 2018, there were no transfers between level 1 and level 2 fair value measurements.

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.

Note 29 : 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 2019	As at 31st March 2018
Not due	797.97	986.07
0-90 days	54.15	58.01
91-180 days	6.78	-
181 to 270 days	0.45	0.36
271 to 365 days	-	2.42
365 days & Above	-	3.08
Total	**859.35**	**1,049.94**

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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.

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 2019

Foreign Currency in Lakhs

Particulars	USD	EURO	CAD	GBP
Trade Receivables / Other Financial Assets	10.64	0.37	0.41	0.81
Advances from Customers	0.36	-	-	-
Advances Recoverable in cash or kind	-	-	-	-
Trade Payables / Other Financial Liabilities	-	-	-	-
Net	**11.00**	**0.37**	**0.41**	**0.81**

As as 31st March 2018

Foreign Currency in Lakhs

Particulars	USD	EURO	CAD	GBP
Trade Receivables / Other Financial Assets	11.55	0.30	0.52	2.56
Advances from Customers	0.01	-	-	0.01
Advances Recoverable in cash or kind	0.31	-	0.05	-
Trade Payables / Other Financial Liabilities	0.01	-	-	-
Net	**11.88**	**0.30**	**0.57**	**2.57**

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)

	2018-19		2017-18	
	1% increase	1% Decrease	1% increase	1% Decrease
USD	7.61	(7.61)	7.74	(7.74)
EURO	0.29	(0.29)	0.25	(0.25)
GBP	0.73	(0.73)	2.37	(2.37)
CAD	0.21	(0.21)	0.29	(0.29)
Increase / (Decrease) in Profit or Loss	**8.84**	**(8.84)**	**10.65**	**(10.65)**

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, 2019 (₹ in lakhs)

	0-1 years	1-5 years	Beyond 5 years	Total
Short term borrowings	293.25	-	-	**293.25**
Total	**293.25**	-	-	**293.25**

As at March 31, 2018 (₹ in lakhs)

	0-1 years	1-5 years	Beyond 5 years	Total
Short term borrowings	490.46	-	-	**490.46**
Total	**490.46**	-	-	**490.46**

Maturity patterns of other Financial Liabilities

As at March 31, 2019 (₹ in lakhs)

	0-1 years	1-5 years	Beyond 5 years	Total
Trade Payables	53.60	-	-	**53.60**
Other Financial Liabilities (Current & Non Current)	453.89	183.14	-	**637.03**
Total	**507.49**	**183.14**	-	**690.63**

As at March 31, 2018 (₹ in lakhs)

	0-1 years	1-5 years	Beyond 5 years	Total
Trade Payables	7.24	-	-	**7.24**
Other Financial Liabilities (Current & Non Current)	493.84	124.10	-	**617.94**
Total	**501.08**	**124.10**	-	**625.18**

SHARMA & CO. MUMBAI Chartered Accountants

TECHNOSOFT ENGINEERING PROJECTS LIMITED MUMBAI

Note 30 : 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, 2019	March 31, 2018
Net Debt *	272.37	483.32
Total Equity	4,721.41	3,918.05
Net Debt to Total Equity	**0.06**	**0.12**

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

M. L. SHARMA & CO. MUMBAI Firm Reg. No. 109963W Chartered Accountants

TECHNOSOFT ENGINEERING PROJECTS LIMITED MUMBAI

TECHNOSOFT ENGINEERING PROJECTS LTD
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note : 31 Disclosure in respect of Expenditure on Corporate Social Responsibility

Particulars	2018-19	2017-18
a) Amount required to be spent as per Section 135 of the Act	8.03	11.31
b) Amount Spent during the year on (i) Construction / Acquisition of an asset (ii) On Purpose other than (i) above	-	-

SHARMA & CO. MUMBAI Firm Regn. No. Chartered Accountants

TECHNOSOFT ENGINEERING PROJECTS LIMITED MUMBAI

Note-32 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 32 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

V.L. BAJAJ
PARTNER
M.NO 104982

M.L. SHARMA & CO. Firm Reg. No. 109963W 107, Chartered House, 297/299, Dr. C. H. Street, Mumbai - 400 002. CHARTERED ACCOUNTANTS

TECHNOSOFT ENGINEERING PROJECTS LIMITED MUMBAI

PLACE: MUMBAI
DATE : 24th May, 2019

For & on Behalf of Board of Directors

S.K. SARAF
DIRECTOR
DIN-00035843

S.M. SARAF
DIRECTOR
DIN-00035799

Technocraft Tabla Formwork Systems Private Limited, India.

M. L. SHARMA & CO. (Regd.)
CHARTERED ACCOUNTANTS

107, Chartered House, 297 - 299, Dr. C. H. Street, Behind Dolours Church, Marine Lines, Mumbai - 400 002.
☎ : (022) 2201 0808, 2201 1010 • Fax : (022) 2201 1414 • Resi. : (022) 2613 4916 • E-mail : mlsharma@mlsharma.in

INDEPENDENT AUDITOR'S REPORT

To,
The Members of Technocraft Tabla Formwork Systems Private Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone IND AS financial statements of **TECHNOCRAFT TABLA FORMWORK SYSTEMS PRIVATE LIMITED**, ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, 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 notes to the financial statements including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its **Loss** including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SA's), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 including the statement of Other Comprehensive Income, 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 Rules issued thereunder.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 does not have any pending litigations which would impact its financial position.

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

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For M. L. Sharma & Co.,
Firm Reg. No. 109963W
Chartered Accountants

M. L. SHARMA & CO. Firm Reg. No. 109963W 102, Commerce House, 217/219, Dr. D. N. Street, Mumbai - 400 002. CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: 24 MAY 2019

(V. L. Bajaj) Partner
Membership No. 104982

ANNEXURE "A" TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TECHNOCRAFT TABLA FORMWORK SYSTEMS PRIVATE LIMITED on the Standalone Financial Statements for the year ended 31st March, 2019, 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 of the Act.

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.

7a. 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, 2019 for a period exceeding six months from the date they became payable;

7b. 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. Goods & Service Tax (GST),

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

(V. L. Bajaj) Partner
Membership No. 104982

Place of Signature: Mumbai
Date: 24 MAY 2018

ANNEXURE – "B" TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TECHNOCRAFT TABLA FORMWORK SYSTEMS PRIVATE LIMITED for the year ended 31st March, 2019. 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 TABLA FORMWORK SYSTEMS PRIVATE LIMITED**, ("the Company") as of 31st March, 2019 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 31st March, 2019, 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

M. L. SHARMA & CO. Firm Reg. No. 109963W CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: 24 MAY 2019

(V. L. Bajaj) Partner
Membership No. 104982

Technocraft Tabla Formwork Systems Private Limited
Balance Sheet as at 31st March 2019

(Amount in ₹)

Particulars	Note No.	As at 31-Mar-19	As at 31-Mar-18
ASSETS			
Non - Current Assets			
Property,Plant and Equipment	3	-	-
Deferred Tax Asset	4	11,92,822	11,92,822
Total Non - Current Assets		**11,92,822**	**11,92,822**
Current Assets			
Financial Assets			
Cash and cash equivalents	5	1,84,293	2,14,593
Current Tax Assets (Net)	6	7,62,721	7,62,721
Total Current Assets		**9,47,014**	**9,77,314**
Total Assets		**21,39,836**	**21,70,136**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	7(a)	1,00,00,000	1,00,00,000
Other Equity	7(b)	(78,66,064)	(78,41,664)
Total Equity		**21,33,936**	**21,58,336**
LIABILITIES			
Current liabilities			
Financial Liabilities			
Other Financial Liabilities	8	5,900	11,800
Total Current Liabilities		**5,900**	**11,800**
Total Equity and Liabilities		**21,39,836**	**21,70,136**
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

(V.LBAJAJ) PARTNER
M.NO :104982

PLACE: MUMBAI
DATE : 24th May 2019

For & On Behalf of Board of Directors

Sharad Kumar Saraf
DIRECTOR
DIN No :00035843

Navneet Kumar Saraf
DIRECTOR
DIN No :00035686

Technocraft Tabla Formwork Systems Private Limited
Statement of Profit and Loss for the year ended March 31, 2019

(Amount in ₹)

Particulars	Note No.	Year Ended 31 March 2019	Year Ended 31 March 2018
Income			
Other Income	9	-	3,371
Total Income		-	3,371
Expenses			
Depreciation and amortisation expenses	10	-	-
Other expenses	11	24,400	45,578
Total expenses		24,400	45,578
Profit/(loss) before tax		(24,400)	(42,207)
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
Total tax expenses		-	-
Profit/(Loss) for the period		(24,400)	(42,207)
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		(24,400)	(42,207)
Earnings per equity share(on nominal Value of ₹ 10/- per Share)	12		
(1) Basic		(0.02)	(0.04)
(2) Diluted		(0.02)	(0.04)
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

(V.L.BAJAJ) PARTNER
M.NO :104982

PLACE: MUMBAI
DATE : 24th May 2019

Sharad Kumar Saraf
DIRECTOR
DIN No :00035843

Navneet Kumar Saraf
DIRECTOR
DIN No :00035686

Technocraft Tabla Formwork Systems Private Limited
Cash Flow Statement the year ended 31st March, 2019

(Amount in ₹)

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES :		
Profit before exceptional items & tax from continuing operations	(24,400)	(42,207)
Add / (Less) : Adjustments to reconcile profit before tax to net cash used in operating activities		
Loss on disposal of Fixed Asset	-	8,678
Depreciation and amortization expenses	-	-
	(24,400)	(33,529)
Working capital adjustments		
(Increase)/ Decrease in trade and other receivables	-	11,000
Increase/ (Decrease) in trade and other payables	(5,900)	(3,071)
	(5,900)	7,929
Income Tax paid (Net of Refunds)	-	-
Net Cash Inflow/(Outflow) in the course of Operating Activities (A)	(30,300)	(25,600)
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	(30,300)	(25,600)
Cash and cash equivalents at the beginning of the year	2,14,593	2,40,193
Cash and cash equivalents at the end of the year	1,84,293	2,14,593

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 2019	As at 31st March 2018
a) Cash and Cash Equivalents		
In Current Account	1,84,293	2,14,593
Total	1,84,293	2,14,593

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

(V.L.BAJAJ) PARTNER
M.NO :104982

PLACE: MUMBAI
DATE : 24th May 2019

For & On Behalf of Board of Directors

Sharad Kumar Saraf
DIRECTOR
DIN No :00035843

Navneet Kumar Saraf
DIRECTOR
DIN No :00035686

Statement of Changes in Equity for the year ended 31st March 2019

(Amount in ₹)

EQUITY SHARE CAPITAL :	Balance as at 1st April, 2017	Changes in equity share capital during the year	Balance as at 31st March,2018	Changes in equity share capital during the year	Balance as at 31st March,2019
Paid up Capital (Equity shares of ₹ 10/- each issued , Subscribed & Fully paid up)	1,00,00,000	-	1,00,00,000	-	1,00,00,000

(Amount in ₹)

OTHER EQUITY :			
Particulars	**Retained Earnings**	**Other Comprehensive Income**	**Total**
Balance as at April 1,2017	(77,99,457)		(77,99,457)
Profit / (Loss) for the year	(42,207)	-	(42,207)
Balance as at 31st March,2018	**(78,41,664)**	**-**	**(78,41,664)**
Profit / (Loss) for the year	(24,400)	-	(24,400)
Balance as at 31st March,2019	**(78,66,064)**	**-**	**(78,66,064)**

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

(V.L.BAJAJ) PARTNER
M.NO :104982

PLACE: MUMBAI
DATE : 24th May 2019

For & On Behalf of Board of Directors

Sharad Kumar Saraf
DIRECTOR
DIN No :00035843

Navneet Kumar Saraf
DIRECTOR
DIN No :00035686

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 Plot No-47, Opus Centre, 2nd Floor, Opp Tunga Paradise Hotel, MIDC, 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 24th May 2019.

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.

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**

The Company recognizes revenue when Control over the promised goods is transferred to the customer at an amount that reflects the Consideration to which the Company expects to be entitled in exchange for goods. The Company considers whether there are other promises in the Contract that are separate Performance obligations to which a portion of the transaction price needs to be allocated .

The Company recognizes revenue from the sale of goods net of returns and allowances, trade discounts and Volume rebates. If the revenue cannot be reliably measured, Company defers revenue recognition until the uncertainty is resolved .Such Provisions give rise to variable Consideration and are estimated at Contract inception and updated thereafter.

Revenue from Rendering of services is recognized as & when the Customer receives the benefit of the Company's performance and the company has an enforceable right to payment for services Performed.

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 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.

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.

- **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

Mumbai

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

Technocraft Tabla Formwork Systems Pvt. Ltd. Mumbai

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.

Technocraft Grid Formwork Systems Pvt. Ltd. * Mumbai

Technocraft Tabla Formwork Systems Private Limited
Notes To The Financial Statements for the year ended 31st March 2019

Note 3 : Property,Plant and Equipment

(Amount in ₹)

Particulars	Furniture, Fittings & Equipments	Computer	Total
Year Ended 31 March 2018			
Gross Carrying Amount			
Opening Gross Carrying Amount	11,289	3,115	**14,404**
Additions	-	-	-
Disposals #	11,289	3,115	14,404
Closing Gross Carrying Amount	-	-	-
Accumulated Depreciation			
Opening Accumulated Depreciation	5,727		**5,727**
Depreciation charge during the year		-	-
Disposals #	5,727	-	**5,727**
Closing Accumulated Depreciation	-	-	-
Net Carrying Amount	-	-	-
Year Ended 31 March 2019			
Gross Carrying Amount			
Opening Gross Carrying Amount	-	-	-
Additions	-	-	-
Disposals	-	-	-
Closing Gross Carrying Amount	-	-	-
Accumulated Depreciation			
Opening Accumulated Depreciation	-	-	-
Depreciation charge during the year	-	-	-
Disposals	-	-	-
Closing Accumulated Depreciation	-	-	-
Net Carrying Amount	-	-	-

discarded during the year

Technocraft Tabla Formwork Systems Private Limited
Notes to the Financial Statements for the year ended 31st March 2019

(Amount in ₹)

Note 4 : Deferred Tax Asset

Particulars	As at 31-Mar-19	As at 31-Mar-18
MAT Credit Entitlements	11,92,822	11,92,822
Total Deferred Tax	**11,92,822**	**11,92,822**

Note - 5 : Financial Assets

Note 5 : Cash and cash equivalents

Particulars	As at 31-Mar-19	As at 31-Mar-18
Balances with Banks		
- In current account	1,84,293	2,14,593
Total Cash and Cash Equivalents	**1,84,293**	**2,14,593**

Note 6 : Current Tax Assets (Net)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Advance Tax	19,55,542	19,55,542
Less : Provision For Taxation	11,92,821	11,92,821
Net Current Tax Asset	**7,62,721**	**7,62,721**

Technocraft Tabla Formwork Systems Pvt Ltd * Mumbai

Technocraft Tabla Formwork Systems Private Limited
Notes to the Financial Statements for the year ended 31st March 2019

Note 7(a) : Equity Share Capital

Particulars	As at 31-Mar-19	As at 31-Mar-18
Authorised		
10,00,000 (P.Y.- 10,00,000) Equity Shares of ₹ 10/- Each	1,00,00,000	1,00,00,000
	1,00,00,000	**1,00,00,000**
Issued, Subscribed and Fully Paid Up		
10,00,000 (P.Y.- 10,00,000) Shares of ₹ 10/- Each Fully Paid Up	1,00,00,000	1,00,00,000
	1,00,00,000	**1,00,00,000**

a). 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.

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 2019		As on 31st March 2018	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000

c) Shares held by Holding Company

Particulars	As on 31st March 2019		As on 31st March 2018	
	Number	₹	Number	₹
Technocraft Industries (India) Limited	6,49,995	64,99,950	6,49,995	64,99,950

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

Name of the Sharholder	Equity Shares			
	As on 31st March 2019		As on 31st March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Technocraft Industries (India) Ltd	6,49,995	65	6,49,995	65
Gilcheck Management Inc	3,50,000	35	3,50,000	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 2019.

Note 7(b) : Other Equity

Particulars	As at 31-Mar-19	As at 31-Mar-18
Retained Earnings		
Opening Balance	(78,41,664)	(77,99,457)
Add : Net Profit / (loss) for the year	(24,400)	(42,207)
Closing Balance	**(78,66,064)**	**(78,41,664)**

Technocraft Tabla Formwork Systems Pvt. Ltd. ★ Mumbai

Technocraft Tabla Formwork Systems Private Limited
Notes to the Financial Statements for the year ended 31st March 2019

Note 8 : Other Financial Liabilities

Particulars	As at 31-Mar-19	As at 31-Mar-18
Liabilities For Expenses	5,900	11,800
Total Other Financial Liabilites	**5,900**	**11,800**

Note 9 : Other Income

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Other Non-Operating Income		
Sundry Balance Written back	-	3,371
Total Other Income	**-**	**3,371**

Note 10 : Depreciation and amortisation expenses

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Depreciation on Property,Plant and Equipment	-	
Total Depreciation and amortisation expense	-	-

Note 11 : Other expenses

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Legal & Professional Expenses	12,000	2,000
Filing Fees	4,000	9,000
Professional Tax	2,500	2,500
Payment to Auditors - Note 11(a) below	5,900	11,800
Licence & Legal Fees	-	600
Sundry balances Written off	-	11,000
Loss on Disposal of Fixed Assets	-	8,678
Total Other Expenses	**24,400**	**45,578**

Note 11 (a) : - Details of Payment to Auditors

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Payment to Auditors		
As Auditor :		
Audit Fees	5,900	11,800
Total Payment to Auditors	**5,900**	**11,800**

Note 12 : Earnings per equity share

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

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Net Profit \ (Loss) after tax available for equity shareholders	(24,400)	(42,207)
Weighted Average number of Equity Shares	10,00,000	10,00,000
Basic Earning per share (on Face Value of ₹ 10/- per Share)	(0.02)	(0.04)
Diluted Earning per share (on Face Value of ₹ 10/- per Share)	(0.02)	(0.04)

Technocraft Tabla Formwork Systems Pvt. Ltd. * Mumbai

Note 13 : 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 Company

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
5.Anhui Relaible Steel Technology Co. Ltd
6.Technocraft NZ Limited
7.Techno Defence Pvt. Ltd
8.Shreyan Infra & Power LLP
9.Technosoft Engineering Inc.
(Formerly Known as Impact Engineering Solutions Inc.)
10.Swift Projects Inc.
11 Technosoft Innovations Inc.
12.Technosoft GMBH
13.AAIT/ Technocraft Scaffold Distribution LLC
14.High Mark International Trading -F.Z.E
15.Technosoft Services Inc.
16.Step Engineering Inc.
17.Technosoft Engineering UK Ltd
18.Crosswall International Trading Ltd

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 2019 & 31st March 2018

Technocraft Systems Pvt. Ltd. * Mumbai

Note 14 : 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 ₹)

Particulars	Carrying Value		Fair value			
	31-Mar-19	31-Mar-18	Level 1	Level 2	Level 3	Total
Financial Assets						
Amortised Cost						
Trade Receivables	-	-	-	-	-	-
Cash and Cash Equivalents	1,84,293	2,14,593	-	-	-	-
Other Financial Assets						
- Security Deposit	-	-	-	-	-	-
- Other	-	-	-	-	-	-
Total Assets	**1,84,293**	**2,14,593**	-	-	-	-
Financial Liabilities						
Amortised Cost						
Other Financial Liabilities						
- Liabilities for Expenses	5,900	11,800	-	-	-	-
Total Liabilities	**5,900**	**11,800**	-	-	-	-

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

Note 15: 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 16 : 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 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) As at 31st March 2019, the Company had no Contingent Liabilities in respect of which there could be probable outflow of Resources

f) Note 1 to 16 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

(V.L.BAJAJ) PARTNER
M.NO :104982

PLACE: MUMBAI
DATE : 24th May 2019

M.L. SHARMA & CO. Firm Reg. No. 109963W 107 Chartered House, 297/299, Dr. C. H. Street, Mumbai - 400 002. CHARTERED ACCOUNTANTS

For & On Behalf of Board of Directors

Sharad Kumar Saraf	Navneet Kumar Saraf
DIRECTOR	**DIRECTOR**
DIN No :00035843	DIN No :00035799

Technolocraft Tabla Formwork Systems Pvt. Ltd. * Mumbai

Techno Defence Private Limited,

India.

CA

M. L. SHARMA & CO. (Regd.)
CHARTERED ACCOUNTANTS

107, Chartered House, 297 - 299, Dr. C. H. Street, Behind Dolours Church, Marine Lines, Mumbai - 400 002.
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INDEPENDENT AUDITOR'S REPORT

To the members of TECHNO DEFENCE PRIVATE LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone IND AS financial statements of **TECHNO DEFENCE PRIVATE LIMITED**, ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, 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 notes to the financial statements including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its loss including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SA's), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 including the statement of Other Comprehensive Income, 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 Rules issued thereunder.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 did not have pending litigations which will impact its financial position.

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

   c. There is no amount to be transferred to the Investor Education Undertaking Protection Fund by the Undertaking.

For M. L. Sharma & Co.,
Firm Reg. No. 109963W
Chartered Accountants

(V. L. Bajaj) Partner
Membership No. 104982

Place of Signature: Mumbai
Date: 24 MAY 2019

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 on the Standalone Financial Statements for the year ended 31st March, 2019, 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 of the Act.

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, 2019 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. 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

Place of Signature: Mumbai
Date: 24 MAY 2019

(V. L. Bajaj) Partner
Membership No. 104982

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 year ended 31st March, 2019. 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 31st March, 2019 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 31st March, 2019, 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

(V. L. Bajaj) Partner
Membership No. 104982

Place of Signature: Mumbai
Date: 24 MAY 2019

Techno Defence Private Limited
Balance Sheet as at 31st March 2019

(Amount in ₹)

Particulars	Note No.	As at 31-Mar-19	As at 31-Mar-18
ASSETS			
Non - Current Assets			
Deferred tax asset	3	884	1,313
Total Non - Current Assets		**884**	**1,313**
Current Assets			
Financial Assets			
Cash and cash equivalents	4	46,950	77,850
Total Current Assets		**46,950**	**77,850**
Total Assets		**47,834**	**79,163**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	5(a)	1,00,000	1,00,000
Other Equity	5(b)	(59,066)	(26,737)
Total Equity		**40,934**	**73,263**
LIABILITIES			
Current liabilities			
Financial Liabilities			
Other payables	6	6,900	5,900
Total Current Liabilities		**6,900**	**5,900**
Total Equity and Liabilities		**47,834**	**79,163**
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

(V.L.BAJAJ) PARTNER
M.NO :104982

PLACE: MUMBAI
DATE : 24th May 2019

For & on Behalf of Board of Directors

SharadKumar Saraf
DIRECTOR
DIN :00035843

SudarshanKumar Saraf
DIRECTOR
DIN :00035799

Techno Defence Private Limited
Statement of Profit and Loss for the period ended March 31, 2019

(Amount in ₹)

Particulars	Note No.	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Revenue from Operations		-	-
Total Income		-	-
Expenses			
Other expenses	7	31,900	13,800
Total expenses		**31,900**	**13,800**
Profit/(loss) before tax		**(31,900)**	**(13,800)**
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		429	438
Total tax expenses		**429**	**438**
Profit /(Loss) for the period after tax		**(32,329)**	**(14,238)**
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		**(32,329)**	**(14,238)**
Earnings per equity share (nominal value of ₹ 10/- each)	8		
1) Basic		(3.23)	(1.42)
2) Diluted		(3.23)	(1.42)
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

(V.L.BAJAJ) PARTNER
M.NO :104982

PLACE: MUMBAI
DATE :24th May 2019

For & on Behalf of Board of Directors

Sharad Kumar Saraf
DIRECTOR
DIN :00035843

Sudarshan Kumar Saraf
DIRECTOR
DIN :00035799

Techno Defence Private Limited
Cash Flow Statement for the Period ended 31st March 2019

(Amount in ₹)

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES :		
Profit before exceptional items & tax from continuing operations	(31,900)	(13,800)
Add / (Less) : Adjustments to reconcile profit before tax to net cash used in operating activities	-	-
Operating Profit before Working Capital Changes	(31,900)	(13,800)
Working capital adjustments		
Increase/ (Decrease) in trade and other payables	1000	150
Cash Generated from / (used) in operations	(30,900)	(13,650)
Income Tax paid (net of Refunds)		-
Net Cash Inflow/(Outflow) in the course of Operating Activities (A)	(30,900)	(13,650)
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	-	
Net Cash Inflow/(Outflow) in the course of Financing Activities (C)	-	-
Net increase / (decrease) in cash and cash equivalents	(30,900)	(13,650)
Cash and cash equivalents at the beginning of the Period	77,850	91,500
Cash and cash equivalents at the end of the Period	**46,950**	**77,850**

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 ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
a) Cash and Cash Equivalents		
In Current Account	46,950	77,850
Total	**46,950**	**77,850**

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

(V.L.BAJAJ) PARTNER
M.NO :104982

PLACE: MUMBAI
DATE :24th May 2019

For & on Behalf of Board of Directors

Sharad Kumar Saraf
DIRECTOR
DIN :00035843

Sudarshan Kumar Saraf
DIRECTOR
DIN :00035799

Statement of Changes in Equity for the year ended 31st March 2019

(Amount in ₹)

EQUITY SHARE CAPITAL :	Balance as at 1st April 2017	Changes in equity share capital during the year	Balance as at 31st March,2018	Changes in equity share capital during the period	Balance as at 31st March,2019
Paid up Capital (Equity Shares of ₹ 10/- each issued , Subscribed & Fully Paid	1,00,000	-	1,00,000	-	1,00,000

(Amount in ₹)

OTHER EQUITY :			
Particulars	**Retained Earnings**	**Other Comprehensive Income**	**Total**
Balance as at 1st April 2017	(12,499)	-	(12,499)
Profit / (Loss) for the Period	(14,238)	-	(14,238)
Other Comprehensive Income for the Period	-	-	-
Balance as at 31st March,2018	**(26,737)**	**-**	**(26,737)**
Profit / (Loss) for the Period	(32,329)	-	(32,329)
Other Comprehensive Income for the year	-	-	-
Balance as at 31st March,2019	**(59,066)**	**-**	**(59,066)**

As per our Report of Even Date

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

(V.L.BAJAJ) PARTNER
M.NO :104982

PLACE: MUMBAI
DATE : 24th May 2019

For & on Behalf of Board of Directors

Sharad Kumar Saraf
DIRECTOR
DIN :00035843

Sudarshan Kumar Saraf
DIRECTOR
DIN :00035799

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 Plot No-47, Opus Centre, 2nd floor, Opp Tunga Paradise Hotel, MIDC, 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 24th May 2019.

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.

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

Techno Defence Private Limited MUMBAI

iv) Revenue Recognition

The Company recognizes revenue when Control over the promised goods is transferred to the customer at an amount that reflects the Consideration to which the Company expects to be entitled in exchange for goods. The Company considers whether there are other promises in the Contract that are separate Performance obligations to which a portion of the transaction price needs to be allocated .

The Company recognizes revenue from the sale of goods net of returns and allowances, trade discounts and Volume rebates. If the revenue cannot be reliably measured, Company defers revenue recognition until the uncertainty is resolved .Such Provisions give rise to variable Consideration and are estimated at Contract inception and updated thereafter.

Revenue from Rendering of services is recognized as & when the Customer receives the benefit of the Company's performance and the company has an enforceable right to payment for services Performed.

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.

Techno Defence Private Limited MUMBAI

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.

Techno Defence Private Limited
Notes to the Financial Statements for the year ended 31st March 2019

(Amount in ₹)

Note 3 : Deferred tax asset

The balance comprises temporary differences attributable to :

Particulars	As at 31-Mar-19	As at 31-Mar-18
Preliminary Expense for tax purpose	884	1,313
Total Deferred Tax Assets	**884**	**1,313**
Set - off of deferred tax liabilities pursuant to set - off provisions	-	-
Net Deferred Tax Assets	**884**	**1,313**

Movement in Deferred Tax Assets

Particulars	Net balance as at 1st April 2017	Credit / (Charge) in profit or loss	Credit / (Charge) in OCI	Net balance as at 31/03/2018
Deferred tax (Asset)/Liabilities				
Preliminary Expenses	1,751	(438)	-	1,313
Deferred Tax Assets/(Liabilities) - Net	**1,751**	**(438)**	**-**	**1,313**

Particulars	Net balance as at 1st April 2018	Credit / (Charge) in profit or loss	Credit / (Charge) in OCI	Net balance as at 31/03/2019
Deferred tax (Asset)/Liabilities				
Preliminary Expenses	1,313	(429)	-	884
Deferred Tax Assets/(Liabilities) - Net	**1,313**	**(429)**	**-**	**884**

Note 4 : Cash and cash equivalents

Particulars	As at 31-Mar-19	As at 31-Mar-18
Balances with Banks		
- In current accounts	46,950	77,850
Total Cash and Cash Equivalents	**46,950**	**77,850**

Techno Defence Private Limited MUMBAI

Equity

Note 5(a) : Equity Share Capital

Particulars	As at 31-Mar-19	As at 31-Mar-18
Authorised		
10,000 (P.Y.10,000) Equity Shares of ₹ 10/- Each	1,00,000	1,00,000
	1,00,000	**1,00,000**
Issued, Subscribed and Fully Paid Up		
10,000 (P.Y.10,000) Equity Shares of ₹ 10/- Each	1,00,000	1,00,000
	1,00,000	**1,00,000**

a). 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.

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 2019		Equity Shares As on 31st March 2018	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	10,000	1,00,000	10,000	1,00,000
Shares Issued during the year	-	-		
Shares outstanding at the end of the year	10,000	1,00,000	10,000	1,00,000

c) Shares held by Holding Company

Particulars	As on 31st March 2019		As on 31st March 2018	
	Number	₹	Number	₹
Technocraft Industries (India) Ltd	7,000	70,000	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 2019		As on 31st March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Technocraft Industries (India) Ltd	7,000	70	7,000	70
Mr. Pravin Salinkar	3,000	30	3,000	30

Note 5(b) : Other Equity

Particulars	As at 31-Mar-19	As at 31-Mar-18
Retained Earnings		
Opening Balance	(26,737)	(12,499)
Add / (Less) : Total Comprehensive Income / (loss) for the period	(32,329)	(14,238)
Closing Balance	**(59,066)**	**(26,737)**

Note 6 : Other payables

Particulars	As at 31-Mar-19	As at 31-Mar-18
Liabilities For Expenses	6,900	5,900
Total Other Financial Liabilites	**6,900**	**5,900**

Note 7 : Other expenses

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Legal & Professional Exps	22,000	2,000
Licence & Membership Fees	-	300
Payment to Auditors - Note 7(a) below	5,900	5,900
Rent, Rates & Taxes	4,000	5,600
Total Other expenses	**31,900**	**13,800**

Note 7 (a) : - Details of Payment to Auditors

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Payment to Auditors		
As Auditor :		
Audit Fees	5,900	5,900
Total Payment to Auditors	**5,900**	**5,900**

Note 8 : Earnings per equity share (nominal value of ₹ 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	Year Ended 31-Mar-19	Year Ended 31-Mar-18
i)	Net Profit \ (Loss) for the year	(32,329)	(14,238)
ii)	Weighted Average No of Equity Shares Outstanding	10,000	10,000
iii)	Basic Earning per share	(3.23)	(1.42)
iv)	Diluted Earning per share	(3.23)	(1.42)

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
5.Anhui Relaible Steel Technology Co. Ltd
6.Shreyan Infra & Power LLP
7.Technocraft NZ Limited
8.Technosoft Engineering Inc.
(Formerly Known as Impact Engineering Solutions Inc.)
9.Swift Projects Inc.
10 Technosoft Innovations Inc.
11.Technosoft GMBH
12.AAIT/ Technocraft Scaffold Distribution LLC
13.High Mark International Trading -F.Z.E
14.Technosoft Services Inc.
15.Step Engineering Inc.
16.Technosoft Engineering UK Ltd
17.Crosswall International Trading Ltd

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

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 2019 & 31st March 2018

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 ₹)

Particulars	Carrying Value	Carrying Value
	31-Mar-19	31-Mar-18
Financial Assets		
Amortised Cost		
Cash and Cash Equivalents	46,950	77,850
Total Assets	**46,950**	**77,850**
Financial Liabilities		
Amortised Cost		
Other Financial Liabilities		
- Other payables	6,900	5,900
Total Liabilities	**6,900**	**5,900**

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 : 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 2019, the Company had no Contingent Liabilities / Contingent Assets .

e) Note 1 to 12 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

(V.L.BAJAJ) PARTNER
M.NO :104982

PLACE: MUMBAI
DATE :24th May 2019

For & on Behalf of Board of Directors

Sharad Kumar Saraf
DIRECTOR
DIN :00035843

Sudarshan Kumar Saraf
DIRECTOR
DIN :00035799

Shreyan Infra & Power LLP,

India.

SHREYAN INFRA & POWER LLP

FINANCIAL STATEMENTS 2018-2019

M. L. SHARMA & CO. (Regd.)
CHARTERED ACCOUNTANTS

107, Chartered House, 297 - 299, Dr. C. H. Street, Behind Dolours Church, Marine Lines, Mumbai - 400 002.
☎ : (022) 2201 0808, 2201 1010 • Fax : (022) 2201 1414 • Resi. : (022) 2613 4916 • E-mail : mlsharma@mlsharma.in

INDEPENDENT AUDITOR'S REPORT

To,
The Partners of SHREYAN INFRA & POWER LLP, MUMBAI

Opinion

We have audited the attached Financial Statements of **SHREYAN INFRA & POWER LLP, MUMBAI** (incorporated pursuant to section 12 (1) of the Limited Liability Partnership Act, 2008) which comprise the Statement of Assets & Liabilities as at 31st March, 2019 and the Profit & Loss account for the year then ended and notes to the financial statements including a summary of significant policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the entity as at 31st March 2019, and of its financial performance for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the aforesaid Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We further report that:

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

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

c) The financial statements dealt with by this Report is in agreement with the books of account;

d) In our opinion, the financial statements dealt with by this report comply with the accounting standards to the extent applicable;

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

M. L. SHARMA & CO. Firm Reg. No. 109963W 107, Charni Road, 297/299, Dr. C. H. Street, Mumbai-400 002. CHARTERED ACCOUNTANTS

PLACE OF SIGNATURE: MUMBAI
DATE : 24 MAY 2019

(V.L. BAJAJ) PARTNER
M. NO. 104982

SHREYAN INFRA & POWER LLP
LLPIN AAC-1313
Statement of Assets & Liabilities as at 31st March 2019

	Particulars	Note No	As at 31-Mar-19 AMOUNT (₹)	As at 31-Mar-18 AMOUNT (₹)
I.	***CONTRIBUTION & LIABILITIES***			
(1)	Partner's Funds			
	a) Fixed Contribution	1	1,00,000	1,00,000
	b) Current Contribution	2	(11,02,681)	95,686
			(10,02,681)	**1,95,686**
(2)	Liabilities			
	a) Short Term Borrowings	3	4,54,46,478	6,75,48,383
	b) Other Current Liabilities	4	1,84,93,021	1,63,62,864
			6,39,39,499	8,39,11,247
	Total		**6,29,36,818**	**8,41,06,933**
II.	***ASSETS***			
	a) Inventories	5	5,46,45,280	7,90,92,901
	b) Debtors/Trade Receivables	6	66,25,723	40,09,037
	c) Cash & Cash Equivalents	7	5,58,886	6,37,045
	d) Other Current Assets	8	5,63,483	3,67,950
	e) Deferred Tax Assets (Net)		5,43,446	-
			6,29,36,818	8,41,06,933
			6,29,36,818	**8,41,06,933**

Significant Accounting Policies and Notes forming part of Accounts — 11

For M. L. Sharma & Co.
Firm Reg. No. 109963W
Chartered Accountants

Shreyan Infra & Power LLP MUMBAI

(V. L. Bajaj) Partner
M.No:104982

Place: Mumbai
Date: 24th May, 2019

M. L. SHARMA & CO. CHARTERED ACCOUNTANTS

For Shreyan Infra & Power LLP

S. M. Saraf
Designated Partner
DPIN - 00035799

S. K. Saraf
Designated Partner
DPIN - 00035843

SHREYAN INFRA & POWER LLP
LLPIN AAC-1313
Statement of Income & Expenditure for the year ended March 31, 2019

Particulars	Note No	For the Period ended 31-03-2019 AMOUNT (₹)	For the Period ended 31-03-2018 AMOUNT (₹)
INCOME			
Revenue from operations		2,84,60,617	10,46,14,164
Increase/(Decrease) in Stocks	5	(2,44,47,621)	(9,54,23,599)
		40,12,996	**91,90,565**
EXPENSES			
Interest & Other Finance Charges	9	57,21,709	84,34,852
Other Expenses	10	33,100	25,976
		57,54,809	**84,60,828**
Net Profit/(Loss) before Tax		**(17,41,813)**	**7,29,737**
Less: Provision for Taxes			
a) Current Tax		-	1,39,050
b) Deferred Tax		(5,43,446)	1,42,335
c) AMT Credit Entitlement		-	(50,050)
		(5,43,446)	2,31,335
Net Profit/(Loss) after Tax		**(11,98,367)**	**4,98,402**
Significant Accounting Policies and Notes forming part of Accounts	11		

For M. L. Sharma & Co.
Firm Reg. No. 109963W
Chartered Accountants

(V. L. Bajaj) Partner
M.No:104982

Place: Mumbai
Date: 24th May, 2019

For Shreyan Infra & Power LLP

S. M. Saraf
Designated Partner
DPIN - 00035799

S. K. Saraf
Designated Partner
DPIN - 00035843

SHREYAN INFRA & POWER LLP
LLPIN AAC-1313
Notes to the Financial Statements for the year ended March 31, 2019

Note-1
Partners Capital Account

	As at 31-Mar-19 AMOUNT (₹)	As at 31-Mar-18 AMOUNT (₹)
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)	**1,00,000**	**1,00,000**

Shreyan Infra & Power LLP MUMBAI

SHREYAN INFRA & POWER LLP
LLPIN AAC-1313
Notes to the Financial Statements for the year ended March 31, 2019

Note-2
Partners Current Account

	As at 31-Mar-19 AMOUNT (₹)	As at 31-Mar-18 AMOUNT (₹)
Technocraft Industries India Limited		
Opening Balance	86,118	(3,62,444)
Add: Additions During the Year	-	-
Add : Share of Profit / (Loss) for the Period	(10,78,530)	4,48,562
Closing Balance (a)	**(9,92,412)**	**86,118**
Sharad Kumar Saraf		
Opening Balance	9,568	(40,272)
Add: Additions During the Year	-	-
Add : Share of Profit / (Loss) for the Period	(1,19,837)	49,840
Closing Balance (b)	**(1,10,269)**	**9,568**
Total Partners Current Account (a+b)	**(11,02,681)**	**95,686**

Shreyan Infra & Power LLP MUMBAI

SHREYAN INFRA & POWER LLP
LLPIN AAC-1313
Notes to the Financial Statements for the year ended March 31, 2019

Particulars	As At 31-03-2019 AMOUNT (₹)	As At 31-03-2018 AMOUNT (₹)
Note "3" Short Term Borrowings		
(From Related Party)		
Ashrit Holdings Limited	4,54,46,478	6,75,48,383
(Repayable on demand)(Rate of Interest 10% p.a.; P.Y 10% p.a.)		
	4,54,46,478	**6,75,48,383**
Note "4" :- Other Current Liabilities		
Deposits Received	1,50,00,000	1,50,00,000
Short Term Overdraft	24,79,636	-
Liabilities for Expenses	29,500	23,600
TDS Payable	5,72,011	8,43,350
Shreyan Venture Pune (Excess)	49,405	39,680
Shreyan Venture (Pune)	3,62,469	4,56,234
	1,84,93,021	**1,63,62,864**
Note "5" :- (Increase)/Decrease in stock		
Opening Balance		
Land Work - in - Progress	-	17,45,16,500
Finished Stock*	7,90,92,901	-
Total Opening Balance	**7,90,92,901**	**17,45,16,500**
Closing Balance		
Land Work - in - Progress	-	-
Finished Stock*	5,46,45,280	7,90,92,901
Total Closing Balance	**5,46,45,280**	**7,90,92,901**
Total Changes in inventories	**2,44,47,621**	**9,54,23,599**

* It represents unammortised portion of cost of land as per books of accounts

Particulars	As At 31-03-2019 AMOUNT (₹)	As At 31-03-2018 AMOUNT (₹)
Note "6" :- Trade Receivables		
Trade Receivables	66,25,723	40,09,037
	66,25,723	**40,09,037**
Note "7" :- Cash & Cash Equivalents		
Balances with Scheduled Bank		
In Current Account	5,58,886	6,37,045
	5,58,886	**6,37,045**

Shreyan Infra & Power LLP
MUMBAI

SHREYAN INFRA & POWER LLP
LLPIN AAC-1313
Notes to the Financial Statements for the year ended March 31, 2019

Particulars	As At 31-03-2019 AMOUNT (₹)	As At 31-03-2018 AMOUNT (₹)
Note "8" Other Current Assets		
Advance Income Tax (Net)	5,13,433	3,17,900
AMT Credit Entitlement AY 2018-19	50,050	50,050
	5,63,483	**3,67,950**
Note "9" :- Finance Charges		
Bank Charges	1,603	1,348
Interest Expenses	57,20,106	84,33,504
	57,21,709	**84,34,852**
Note "10" :- Other Expenses		
Licence & Membership fees	100	1,150
Professional fees	1,000	1,000
Profession Tax	2,500	
Payment to Auditors		
For Audit Fees	20,650	14,750
For Tax Audit fees	8,850	8,850
For Other Matters	-	226
	33,100	**25,976**

Shreyan Infra & Power LLP MUMBAI

Shreyan Infra & Power LLP
LLPIN AAC-1313

NOTE NO –11

Notes to the Financial Statements for the Year Ended 31st March 2019

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 Company is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of properties is recognized in Statement of Income & Expenditure in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Company on transfer of significant risk and rewards to the buyer.

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" (Guidance Note), all projects commencing on or after the said date or projects which have already commenced, but where the revenue is recognized for the first time on or after the above date, construction revenue on such projects have been recognized on percentage of completion method provided the following thresholds have been met:

a. All critical approvals necessary for the commencement have been obtained;
b. The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;
c. At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and
d. At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts. Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognized in the Financial statements for the period in which such changes are determined. Revenue from projects is recognized net of revenue attributable to the land owners. Losses, if any, are fully provided for immediately.

3. INVENTORIES

- Inventories are valued as under :
  a. Completed Flats - At Lower of Cost or Net Realisable value
  b. Construction Work-in-Progress - At Cost Construction Work-in-Progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the Company.

- 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.

Shreyan Infra & Power LLP MUMBAI

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 Income & Expenditure account.
- Exchange rate difference arising on account of conversion/translation of liabilities for acquisition of Fixed Assets is recognized in the Statement of Income & Expenditure 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 Date of Statement of Assets & Liabilities. Deferred tax assets are recognized, only to the extent there is a reasonable certainty of its realisation. At each Date of Statement of Assets & Liabilities, 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 Income & Expenditure 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 Date of Statement of Assets & Liabilities. These are reviewed at each Date of Statement of Assets & Liabilities 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.

Shreyan Infra & Power LLP
MUMBAI

II. NOTES TO ACCOUNTS

1. 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 ₹)
1	Interest Paid	NIL (NIL)	NIL (NIL)	57,20,106 (84,33,504)	57,20,106 (84,33,504)
2	Loan Received	NIL (NIL)	NIL (NIL)	62,48,095 (1,10,45,154)	62,48,095 (1,10,45,154)
3	Loan Repaid	NIL (NIL)	NIL (NIL)	2,83,50,000 (4,36,00,000)	2,83,50,000 (4,36,00,000)
4	Advances Received	NIL (NIL)	3,87,172 (4,95,914)	NIL (NIL)	3,87,172 (4,95,914)
5	Advances Repaid	NIL (NIL)	2,40,530 (24,69,495)	NIL (NIL)	2,40,530 (24,69,495)
6	Sale of Flats	NIL (NIL)	2,84,60,617 (10,46,14,164)	NIL (NIL)	2,84,60,617 (10,46,14,164)

( ) Indicates Previous year Figures

Shreyan Infra & Power LLP MUMBAI

(IV) Amount due To / From Related Parties as on 31st March 2019

Sr.No.	Nature of Relationship / Transactions	Designated Partner & Partners	Joint Venture & Co Venturer	Enterprises Significantly Influenced by KMP	Total Amount (in ₹)
1	Loan Outstanding	NIL (NIL)	NIL (NIL)	4,54,46,478 (6,75,48,383)	4,54,46,478 (6,75,48,383)
2	Advances Outstanding	NIL (NIL)	4,11,874 (4,95,914)	NIL (NIL)	4,11,874 (4,95,914)
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	-11,02,681 (95,686)	NIL (NIL)	NIL (NIL)	-11,02,681 (95,686)

() indicates Previous Year Figures

2. 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%.

3. 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 ₹5,43,446/- & (in P.Y. reversed Deferred Tax Assets (net) ₹ 1,42,335/-) & the same has been credited & debited respectively to the Statement of Income & Expenditure.

PARTICULARS	For the Period Ended 31st March 2019 Amount (in ₹)	For the Period Ended 31st March 2018 Amount (in ₹)
On Account of Preliminary Expenses	-	-
On Account of Business Loss	(5,43,446)	1,42,335
NET IMPACT	**(5,43,446)**	**1,42,335**
Deferred Tax Assets		
On Account of Preliminary Expenses	-	-
On Account of Business Loss	5,43,446	-
Deferred Tax Assets	**5,43,446**	**-**

4. **Segment Information**
As the LLP has only one business segment, disclosure under Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

5. **Dues to Micro and Small Enterprises**
Disclosure of trade payables and other liabilities is based on the information available with the LLP regarding the status of the suppliers as defined under the "Micro, Small & Medium Enterprises Development Act, 2006". The LLP does not have any Micro and Small enterprises as defined under the "Micro, Small & Medium Enterprises Development Act, 2006" as its suppliers.

MUMBAI

6. Previous period's figures have been regrouped wherever necessary to conform to current year's classification.

Signature to Note 1 To 11 Attached

For M. L. SHARMA & CO
Firm Reg. No.109963W
Chartered Accountants

(V. L. BAJAJ) Partner

M. No. 104982
Place: Mumbai
Date: 24th May 2019

For Shreyan Infra & Power LLP

S. M. Saraf
Designated Partner
DPIN–00035799

S. K. Saraf
Designated Partner
DPIN–00035843

Technocraft International Limited, UK.

R.

COMPANY REGISTRATION NUMBER: 02806367

Technocraft International Limited

Financial Statements

31 December 2018

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COMPANIES HOUSE

Technocraft International Limited

Financial Statements

Year ended 31 December 2018

Contents	**Pages**

Technocraft International Limited

Officers and Professional Advisers

The board of directors	N Saraf A K Saraf S K Saraf
Company secretary	Mrs L Russell
Registered office	Unit 2 Hammond Court Hammond Avenue Whitehill Industrial Estate Stockport SK4 1PQ
Auditor	West Wake Price LLP Chartered Accountants & statutory auditor 4 City Road London EC1Y 2AA
Bankers	HSBC UK Bank Plc 1 Centenary Square Birmingham B1 1HQ

Technocraft International Limited

Strategic Report

Year ended 31 December 2018

The directors present their report and the financial statements of the company for the year ended 31 December 2018.

Business Review

The principal activity of the company was that of importers and distributors of products and services supplied by the parent and othe group undertakings from India and there was no significant change therein during the year.

Future Developments

The company's performance during the year was satisfactory. Even though the accounts are not strictly comparable as this was a full year compared to the previous period of 9 months. On an annualised basis the sales are lower but the gross profit margin has been maintained and the operating profit has improved considerably due to the exchange gain. The company expects to improve its sales and profitability in the year ending 31 December 2019.

Financial Instruments

a) Liquidity risk: The company operates within agreed facilities negotiated with its bankers.

b) Interest rate risk: The company is exposed to fair value risk on its variable and fixed rate borrowings.

c) Foreign currency risk: The company trades mainly in sterling. Its trade in Euros and US Dollars is exposed to exchange rate fluctuations and the policy of the company is not to hedge this risk.

d) Credit risk: It is company policy to assess the credit risk of new customers and to factor the information from those credit ratings into future dealings with customers. At the balance sheet date there were no significant concentrations of credit risk.

The business ensures that it achieves its objectives by reviewing them on a regular basis against the results achieved in the period. Regular board meetings are held to discuss the progress of its objectives and to discuss future plans for the business.

This report was approved by the board of directors on 8 July 2019 and signed on behalf of the board by:

S K Saraf
Director

Technocraft International Limited

Directors' Report

Year ended 31 December 2018

The directors present their report and the financial statements of the company for the year ended 31 December 2018.

Directors

The directors who served the company during the year were as follows:

N Saraf
A K Saraf
S K Saraf

Dividends

The directors do not recommend payment of a final dividend.

Disclosure of information in the strategic report

The company has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the company's strategic report information required by the **Large and Medium-sized Companies and Groups(Accounts and Reports)Regulations 2008, Sch.7** to be contained in the directors' report. It has done so in respect of future developments and financial instruments.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and

- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 8 July 2019 and signed on behalf of the board by:

S K Saraf
Director

Technocraft International Limited

Independent Auditor's Report to the Member of Technocraft International Limited

Year ended 31 December 2018

Opinion

We have audited the financial statements of Technocraft International Limited (the 'company') for the year ended 31 December 2018 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the company's member, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Ramesh A Kapadia (Senior Statutory Auditor)

For and on behalf of
West Wake Price LLP
Chartered Accountants & statutory auditor
4 City Road
London
EC1Y 2AA

8 July 2019

Technocraft International Limited

Statement of Income and Retained Earnings

Year ended 31 December 2018

	Note	Year to 31 Dec 18 £	Period from 1 Apr 17 to 31 Dec 17 £
Turnover	4	4,606,763	4,038,357
Cost of sales		4,367,105	3,828,914
Gross profit		239,658	209,443
Administrative expenses		65,726	212,100
Operating profit/(loss)	5	173,932	(2,657)
Other interest receivable and similar income	8	57,615	22,254
Interest payable and similar expenses	9	137,509	37,537
Profit/(loss) before taxation		94,038	(17,940)
Tax on profit/(loss)	10	18,847	(2,882)
Profit/(loss) for the financial year and total comprehensive income		75,191	(15,058)
Retained earnings at the start of the year		210,252	225,310
Retained earnings at the end of the year		285,443	210,252

All the activities of the company are from continuing operations.

The notes on pages 12 to 22 form part of these financial statements.

Technocraft International Limited

Statement of Financial Position

31 December 2018

	Note	2018 £	2018 £	2017 £
Fixed assets				
Tangible assets	**11**		289,263	297,140
Investments	**12**		36,000	36,000
			325,263	333,140
Current assets				
Stocks	**13**	1,757,468		1,359,181
Debtors	**14**	2,516,050		1,271,516
Cash at bank and in hand		691,960		575,260
		4,965,478		3,205,957
Creditors: amounts falling due within one year	**16**	3,605,942		1,912,166
Net current assets			1,359,536	1,293,791
Total assets less current liabilities			1,684,799	1,626,931
Creditors: amounts falling due after more than one year	**17**		49,354	66,459
Provisions				
Taxation including deferred tax	**18**		–	218
Net assets			1,635,445	1,560,254
Capital and reserves				
Called up share capital	**21**		1,350,002	1,350,002
Profit and loss account			285,443	210,252
Shareholder funds			1,635,445	1,560,254

These financial statements were approved by the board of directors and authorised for issue on 8 July 2019, and are signed on behalf of the board by:

S K Saraf
Director

Company registration number: 02806367

The notes on pages 12 to 22 form part of these financial statements.

Technocraft International Limited

Statement of Cash Flows

Year ended 31 December 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Profit/(loss) for the financial year		75,191	(15,058)
Adjustments for:			
Depreciation of tangible assets		5,237	4,859
Other interest receivable and similar income		(57,615)	(22,254)
Interest payable and similar expenses		137,509	37,537
Loss on disposal of tangible assets		1,490	–
Tax on profit/(loss)		18,847	(2,882)
Accrued expenses/(income)		89,445	(4,777)
Changes in:			
Stocks		(398,287)	(390,334)
Trade and other debtors		(1,264,238)	(269,031)
Trade and other creditors		(15,970)	20,534
Cash generated from operations		(1,408,391)	(641,406)
Interest paid		(137,509)	(37,537)
Interest received		57,615	22,254
Tax paid		–	(9,371)
Net cash used in operating activities		(1,488,285)	(666,060)
Cash flows from investing activities			
Proceeds from sale of tangible assets		1,150	–
Net cash from investing activities		1,150	–
Cash flows from financing activities			
Proceeds from borrowings		(15,304)	(9,369)
Proceeds from loans from group undertakings		1,308,891	773,335
Net cash from financing activities		1,293,587	763,966
Net (decrease)/increase in cash and cash equivalents		(193,548)	97,906
Cash and cash equivalents at beginning of year		(329,178)	(427,084)
Cash and cash equivalents at end of year	**15**	(522,726)	(329,178)

The notes on pages 12 to 22 form part of these financial statements.

Technocraft International Limited

Notes to the Financial Statements

Year ended 31 December 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 2 Hammond Court, Hammond Avenue, Whitehill Industrial Estate, Stockport, SK4 1PQ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

1 Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

2 Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Technocraft Industries (India) Limited, which can be obtained from the Registrar of Companies,100 Everest, Marine Drive, Mumbai, 400 002, India. As such, advantage has been taken of the following disclosure exemption available under paragraph 1.12 of FRS 102: Disclosures in respect of financial instruments have not been presented.

3 Judgements and key sources of estimation uncertainty

No significant judgements in applying accounting policies have had to be made by the directors in preparing these financial statements.

4 Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

3. Accounting policies *(continued)*

5 Income tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a discounted/an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

6 Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

7 Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

8 Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	-	2% straight line
Plant and Machinery	-	15% straight line
Fixtures and Fittings	-	25% straight line
Motor Vehicles	-	25% straight line

9 Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

3. Accounting policies *(continued)*

Investments *(continued)*

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

10 Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

11 Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

12 Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

13 Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	Year to 31 Dec 18 £	Period from 1 Apr 17 to 31 Dec 17 £
Sale of goods	4,327,800	3,099,061
Provision of services	278,963	939,296
	4,606,763	4,038,357

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	Year to 31 Dec 18 £	Period from 1 Apr 17 to 31 Dec 17 £
United Kingdom	2,257,489	2,278,781
Sales - Europe	2,320,547	1,406,302
Sales - Rest of the World	28,727	353,274
	4,606,763	4,038,357

5. Operating profit

Operating profit or loss is stated after charging/crediting:

	Year to 31 Dec 18 £	Period from 1 Apr 17 to 31 Dec 17 £
Depreciation of tangible assets	5,237	4,859
Loss on disposal of tangible assets	1,490	–
Impairment of trade debtors	13	9,064
Foreign exchange differences	(113,440)	48,611

6. Auditor's remuneration

	Year to 31 Dec 18 £	Period from 1 Apr 17 to 31 Dec 17 £
Fees payable for the audit of the financial statements	10,000	10,000

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2018	2017
	No.	No.
Administrative staff	3	3
Management staff	3	3
Number of other staff - IT	–	13
	6	19

The aggregate payroll costs incurred during the year, relating to the above, were:

	Year to 31 Dec 18	Period from 1 Apr 17 to 31 Dec 17
	£	£
Wages and salaries	53,220	323,888
Social security costs	2,129	34,887
Other pension costs	1,168	1,669
	56,517	360,444

8. Other interest receivable and similar income

	Year to 31 Dec 18	Period from 1 Apr 17 to 31 Dec 17
	£	£
Interest on loans and receivables	57,035	21,801
Interest on cash and cash equivalents	564	442
HMRC Interest received	16	11
	57,615	22,254

9. Interest payable and similar expenses

	Year to 31 Dec 18	Period from 1 Apr 17 to 31 Dec 17
	£	£
Interest on banks loans and overdrafts	32,907	23,113
Interest due to group undertakings	102,759	13,241
Other interest payable and similar charges	1,843	1,183
	137,509	37,537

10. Tax on profit/(loss)

Major components of tax expense/(income)

	Year to 31 Dec 18 £	Period from 1 Apr 17 to 31 Dec 17 £
Current tax:		
UK current tax expense	19,065	1,628
Adjustments in respect of prior periods	–	(4,395)
Total current tax	19,065	(2,767)
Deferred tax:		
Origination and reversal of timing differences	(218)	(115)
Tax on profit/(loss)	18,847	(2,882)

Reconciliation of tax expense/(income)

The tax assessed on the profit/(loss) on ordinary activities for the year is higher than (2017: higher than) the standard rate of corporation tax in the UK of 19% (2017: 19%).

	Year to 31 Dec 18 £	Period from 1 Apr 17 to 31 Dec 17 £
Profit/(loss) on ordinary activities before taxation	94,038	(17,940)
Profit/(loss) on ordinary activities by rate of tax	17,867	(3,408)
Adjustment to tax charge in respect of prior periods	–	(15)
Effect of capital allowances and depreciation	1,198	876
Utilisation of tax losses	–	(220)
Origination and reversal of timing differences	(218)	(115)
Tax on profit/(loss)	18,847	(2,882)

Technocraft International Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

11. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	**Total £**
Cost					
At 1 January 2018	367,643	14,110	24,779	4,970	411,502
Disposals	–	–	–	(4,970)	(4,970)
At 31 December 2018	367,643	14,110	24,779	–	406,532
Depreciation					
At 1 January 2018	73,143	14,110	24,779	2,330	114,362
Charge for the year	5,237	–	–	–	5,237
Disposals	–	–	–	(2,330)	(2,330)
At 31 December 2018	78,380	14,110	24,779	–	117,269
Carrying amount					
At 31 December 2018	289,263	–	–	–	289,263
At 31 December 2017	294,500	–	–	2,640	297,140

12. Investments

	Shares in group undertakings £
Cost	
At 1 January 2018 and 31 December 2018	36,000
Impairment	
At 1 January 2018 and 31 December 2018	–
Carrying amount	
At 31 December 2018	36,000
At 31 December 2017	36,000

12. Investments *(continued)*

The company owns 100% of the issued share capital of Highmark International Trading-F.Z.E, a company incorporated in the United Arab Emirates.

	31 December 2018 £	31 December 2017 £
Aggregate capital and reserves		
Highmark International Trading-F.Z.E	2,363,380	2,000,600
Profit and (loss) for the period		
Highmark International Trading-F.Z.E	225,654	107,971

The company has an 85% membership interest in AA International Trading/Technocraft Scaffold Distribution LLC, a United States of America LLC.

	31 December 2018 £	31 December 2017 £
Aggregate (deficit) of capital and reserves		
AA International Trading/Technocraft Scaffold Distribution LLC	752,057	204,683
Profit and (loss) for the period		
AA International Trading/Technocraft Scaffold Distribution LLC	510,668	329,278

Under the provision of section 401 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

13. Stocks

	2018 £	2017 £
Finished goods and goods for resale	1,757,468	1,359,181

14. Debtors

	2018 £	2017 £
Trade debtors	800,771	1,230,266
Amounts owed by group undertakings	1,654,216	–
Prepayments and accrued income	54,439	37,054
Corporation tax repayable	–	2,756
Other debtors	6,624	1,440
	2,516,050	1,271,516

15. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2018 £	2017 £
Cash at bank and in hand	691,960	575,260
Bank overdrafts	(1,214,686)	(904,438)
	(522,726)	(329,178)

16. Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	1,225,654	913,605
Trade creditors	82,193	84,555
Amounts owed to group undertakings	2,082,226	773,335
Accruals and deferred income	174,155	104,414
Corporation tax	19,065	–
Social security and other taxes	22,649	36,140
Other creditors	–	117
	3,605,942	1,912,166

Included in bank loans and overdrafts is £10,967 (2017: £9,167) falling due within one year. The bank loan is secured by a first legal charge over the company's freehold property and other fixed assets.

Bank overdraft amounting to £1,214,686 (2017: £904,438) is secured by a general charge (Debenture) on the company's fixed and floating assets, bank deposit of £10,000 and a corporate Guarantee from the parent undertaking of £2,500,000 (2017: £2,500,000).

17. Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	49,354	66,459

Included in bank loans and overdrafts is £43,870 (2017: £36,667) falling due between two and five years. The bank loan is secured by a first legal charge over the company's freehold property and other fixed assets.

Included within creditors: amounts falling due after more than one year is an amount of £3,641 (2017: £29,792) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The bank loan is repayable in monthly instalments to 30 June 2024. The interest rate on the bank loan at the balance sheet date was 2.65% (2017: 2.40%).

18. Provisions

	Deferred tax (note 19) £
At 1 January 2018	218
Unused amounts reversed	(218)
At 31 December 2018	–

19. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2018 £	2017 £
Included in provisions (note 18)	–	218

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018 £	2017 £
Accelerated capital allowances	–	218

20. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £1,168 (2017: £1,669).

21. Called up share capital

Authorised share capital

	2018 No.	**2018 £**	2017 No.	2017 £
Ordinary shares of £1 each	1,350,002	1,350,002.00	1,350,002	1,350,002.00

Issued, called up and fully paid

	2018 No.	**2018 £**	2017 No.	2017 £
Ordinary shares of £1 each	1,350,002	1,350,002.00	1,350,002	1,350,002.00

22. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Later than 1 year and not later than 5 years	3,084	2,322

23. Contingencies

There are contingent liabilities outstanding at the balance sheet date of £Nil (2017: £3,300) in respect of trade finance and guarantees, respectively,issued in the ordinary course of business.

24. Related party transactions

The ultimate parent undertaking was controlled by its directors Mr S K Saraf and Mr S M Saraf, who between them, together with other close family members own 75% (2017: 75%) of the equity shares of the parent undertaking.

The company is a wholly-owned subsidiary of Technocraft Industries (India) Limited and as such has taken advantage of the exemption permitted by FRS 102 Section 33 Related Party Disclosures, not to provide disclosure of transactions entered into with other wholly-owned members of the group.

25. Controlling party

The company's immediate and ultimate parent undertaking is Technocraft Industries (India) Limited, a company registered in India. The consolidated accounts of Technocraft Industries (India) Limited can be obtained from the Registrar of Companies, 100 Everest,Marine Drive,Mumbai, 400 002, India.

26. Going concern

In the course of preparing the financial statements for the year ended 31 December 2018 the directors have assessed whether the company is a going concern. They have assessed the responses of the directors of the ultimate parent undertaking, considered the current bank facilities and guarantees from the ultimate parent undertaking, all available information about the future and have prepared projected profit & loss forecasts for the two years ended 31 December 2020. No material uncertainties have been identified by the directors that may cast any significant doubt about the ability of the company to continue as a going concern.

Technocraft Trading Spolka, Z.O.O., Poland.

	Technocraft Trading Sp. z o.o. **P & L Account**	Amount in PLN
Lp.	**PERIOD:**	**01.01.2018-31.12.2018**
A	**Net receipts from sales of products and equivalent to them**	1,77,20,959
	including: from associated units	2,24,778
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	1,74,96,180
B	**Costs of sales of products, goods and materials**	1,70,36,896
I	Depreciation	68,063
II	Consumption of materials and energy	36,150
III	Foreign services	5,94,424
IV	Taxes and fees including	1,04,632
	- excise duty	
V	Wages	7,51,032
VI	Social insurance and other disbursements	1,15,251
VII	Remaining generic costs	90,806
VIII	Value of sold goods and materials	1,52,76,538
C	**Profit (loss) from sales (A – B)**	6,84,062
D	**Other operating receipts**	2,281
I	Profit from sales of non-financial fixed assets	
II	Subsidies	
III	Other operating receipts	2,281
E	**Other operating costs**	5,541
I	Loss from sales of non-financial fixed assets	
II	Update of value of non-financial assets	
III	Other operating costs	5,541
F	**Profit (loss) from operating activities (C + D – E)**	6,80,803
G	**Financial receipts**	12,334
I	*Dividends and share in profit, including:*	
	including: from associated units	
II	Interests	7,721
	including: from associated units	
III	Profit from sale of investment	
IV	Current investment value	
V	Other (positive differences)	4,612
H	**Financial costs**	7,16,972
I	Interests	68,170
	including: from associated units	
II	Loss from sales of investments	
III	Update of value of investments	
IV	Other (NEGATIVE DIFFERENCES)	6,48,802
I	**Profit (loss) includ. economic activity (F + G – H)**	-23,836
J	**Result of extraordinary events (J.I. – J.II)**	-
I	Extraordinary profits	
II	Extraordinary losses	
K	**Gross profit (loss) (I ± J)**	-23,836
L	**Income tax paid previously**	1,28,590
M	**Other compulsory deductions from profit (increase on loss)**	-1,15,092
N	**Profit**	-37,334

ASSETS

No.	ITEM	31.12.2018
		Amount in PLN
A	**Fixed Assets**	12,36,411
I	**Intangible assets**	811
1	R&D expenses	
2	Goodwill	
3	Other intangible assets	811
4	Advances for intangible assets	
II	**Tangible fixed assets**	10,57,901
1	Tangible fixed assets in use	10,57,901
	a) land (including right to perpetual usufruct)	9,03,929
	b) buildings, premises, civil and water engineering structures	1,52,376
	c) technical equipment and machines	-
	d) vehicles	-
	e) other tangible fixed assets	1,596
2	Tangible fixed assets under construction	-
3	Advances for tangible fixed assets under construction	
III	**Long-term receivables**	-
1	From related parties	
2	From other entities	
IV	**Long-term investments**	-
1	Real property	
2	Intangible assets	
3	Long-term financial assets	-
	a) in related parties	-
	- shares	
	- other securities	
	- loans granted	
	- other long-term financial assets	
	b) in other entities	-
	- shares	
	- other securities	
	- loans granted	
	- other long-term financial assets	
4	Other long-term investments	
V	**Long-term prepayments**	1,77,698
1	Deferred tax assets	1,77,698
2	Other prepayments	
B	**CURRENT ASSETS**	1,18,45,378
I	**Inventory**	45,58,309
1	Materials	
2	Semi-finished products and work in progress	
3	Finished products	
4	Goods	45,58,309
5	Advances for deliveries	
II	**Short-term receivables**	45,11,644
1	Receivables from related parties	2,24,778
	a) trade receivables, maturing:	2,24,778
	- up to 12 months	2,24,778
	- above 12 months	
	b) other	
2	Receivables from other entities	42,86,866
	a) trade receivables, maturing:	42,65,816
	- up to 12 months	42,65,816
	- above 12 months	
	b) receivables from tax, subsidy, customs, social security and other benefits	-
	c) other	21,050
	d) claimed at court	
III	**Short-term investments**	26,86,208
1	Short-term financial assets	26,86,208
	a) in related parties	-
	- shares	
	- other securities	
	- loans granted	
	- other short-term financial assets	
	b) in other entities	-
	- shares	
	- other securities	
	- loans granted	
	- other short-term financial assets	
	c) cash and other pecuniary assets	26,86,208
	- cash in hand and at bank	26,86,208
	- other cash	
	- other pecuniary assets	
2	Other short-term investments	
IV	**Short-term prepayments**	89,218
	TOTAL ASSETS	1,30,81,788

LIABILITIES

No.	ITEM	31.12.2018
		Amount in PLN
A	**EQUITY**	30,26,481
I	Share capital	22,50,000
II	Supplementary capital	8,13,815
III	Own shares (negative value)	
IV	Other capital	
V	Revaluation reserve	
VI	Other reserve capitals	
VII	Previous years profit (loss)	-
VIII	Net profit (loss)	-37,334
IX	Write-off on net profit during the financial year (negative value)	
B	**LIABILITIES AND PROVISIONS FOR LIABILITIES**	1,00,55,307
I	**Provisions for liabilities**	-
1	Provision for deferred income tax	
2	Provision for retirement and similar benefits	-
	- long-term	
	- short-term	
3	Other provisions	-
	- long-term	
	- short-term	-
II	**Long-term liabilities**	-
1	To related parties	-
2	To other entities	-
	credits and loans	
	arising from issuance of debt securities	
	other financial liabilities	
	other	
III	**Short-term liabilities**	1,00,55,307
1	To related parties	50,11,994
	trade liabilities, maturing:	50,11,994
	- up to 12 months	49,75,357
	- above 12 months	36,637
	b). Other	
2	To other entities	50,43,313
	credits and loans	48,23,421
	arising from issuance of debt securities	
	other financial liabilities	
	trade liabilities, maturing:	1,41,488
	- up to 12 months	1,41,488
	- above 12 months	
	received advances for deliveries	-
	bill-of-exchange liabilities	
	tax, customs, insurance and other liabilities	78,403
	payroll liabilities	
	other	
3	Special funds	
IV	**Accruals**	-
1	Negative goodwill	
2	Other accruals	-
	- long term	
	- short term	
	TOTAL LIABILITIES	1,30,81,788

Technocraft Australia Pty Limited, Australia.

TECHNOCRAFT AUSTRALIA PTY LTD

A.B.N.89 119 021 975

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH, 2019

2018		2019
172,890.96	OPERATING PROFIT before tax	63,425.96
47,697.64	Income tax applicable thereto	17,878.89
125,193.32	OPERATING PROFIT for the year	45,547.07
1,075,623.26	RETAINED PROFIT B/F	1,200,816.58
1,200,816.58	RETAINED PROFIT at year end	1,246,363.65
1,200,816.58	RETAINED PROFIT c/f	1,246,363.65

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, 2019

2018			2019
8,335,676.43	GROSS SALES		7,854,928.46
	Less		
	COST OF SALE		
1,641,762.87	Opening stock	1,230,299.48	
6,601,225.22	Purchases	7,753,949.55	
380,171.29	Freight, forwarding & customs	419,229.62	
555.68	Packing & repainting	21,370.20	
84,730.02	Commission	82,883.21	
8,708,445.08		9,507,732.06	
1,230,299.48	Less closing stock	2,446,947.20	
7,478,145.60	Cost of sales		7,060,784.86
857,530.83	GROSS PROFIT		794,143.60
	Less		
	EXPENDITURE		
10,700.00	Accountancy	10,800.00	
192.39	Advertising and gifts	1,588.20	
43,789.66	Bank charges	47,801.26	
-	Bad debts	-	
1,281.80	Cleani'ng	1,664.42	
37,638.00	Consultancy	39,396.00	
157.73	Computer expenses	1,309.91	
8,672.95	Depreciation	7,971.13	
701.82	Depreciation immediate w/off	701.82	
90.00	Donations	371.00	
1,105.00	Equipment Hire	-	
2,897.10	Fees and licences	2,530.13	
738.37	Fringe benefits tax	654.24	
-	Forex loss/(Gain)	(1,003.15)	
555.00	Fines	-	
12,719.15	Insurance	15,026.15	
24,104.16	Interest charges	45,252.20	
3,806.00	Internet expenses	4,246.98	
32,936.41	Legal fees	31,877.94	
6,877.67	Light and power	7,396.30	

Public officer*.................

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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, 2019

2018			2019
6,899.97	Motor vehicle expenses	8,233.35	
609.89	Printing & stationery	335.09	
236.34	Postage	64.73	
169,201.50	Rent	167,947.98	
9,922.08	Repairs & maintenance	4,001.34	
322,184.81	Salaries wages and allowances	336,537.00	
1,859.35	Staff visa expenses	8,350.74	
735.00	Security expenses	504.00	
36,636.03	Superannuation contributions	33,245.00	
1,263.73	Staff amenities	1,430.92	
7,275.78	Telephone	1,611.36	
23,809.33	Travel & fares	16,361.37	
769,597.02			796,207.41
87,933.81	OPERATING PROFIT for period		(2,063.81)
84,957.15	Interest received		65,489.77
172,890.96	TOTAL OPERATING PROFIT		63,425.96

Public officer*.................

THESE ACCOUNTS ARE UNAUDITED

PLEASE REFER TO THE COMPILATION REPORT

Anhui Reliable Steel Company Limited, China.

Report of the Auditors

ChuHengShenZi[2019] NO.050

All the shareholders of ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD:

I. Auditors' Opinion

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, 2018 and the profit statement, cash flow statement, statement of equity changes and notes to the financial statements of 2018.

In our opinion, the company's financial statements presented fairly, in all material respects, the financial position of the company by December 31, 2018 and the results of its operations and its cash flows of 2018.

II. The Basis for Audit Opinion

We performed the audit in accordance with the Auditing Standards of Chinese Certified Public Accountants. The section of "CPA's Responsibility for Auditing Financial Statements" in this report further elaborated our responsibilities under these guidelines. According to the Code of Ethics of Chinese Certified Public Accountants, we are independent of your company and perform other professional ethics responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for issuing an audit opinion.

III. Management's Responsibility for Financial Statements

The management is responsible for preparing and fair presenting financial statements in accordance with the requirements of the Accounting Standards for Business Enterprises. The management also needs to design, implement and maintain necessary internal controls so that there are no material misstatements due to fraud or errors in the financial statements.

In the preparation of the financial statements, the management is responsible for assessing the company's ability for long-term operation, disclosing issues related to long-term operation and applying the assumption of long-term operation, unless the management plans to liquidate the company, cease operations or have no other feasible choice.

The governance layer is responsible for overseeing the company's financial reporting process.

IV. CPA's Responsibility for Auditing Financial Statements

Our objective is to obtain reasonable assurance as to whether the entire financial statements are free from material misstatement due to fraud or error and to issue an audit report containing audit opinions. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit can always discover an existed misstatement, even though the audit performed in accordance with auditing standards. Misstatement may be caused by fraud or mistakes, and if a misstatement alone or aggregated may affect the economic decision-making made by users based on the financial statements, misstatements are generally considered to be material.

In the process of conducting audit work in accordance with auditing standards, we used professional judgment and maintained professional suspicion. At the same time, we also perform the following tasks:

(1) Identify and assess risks of material misstatement of financial statements due to fraud or errors, design and implement audit procedures to deal with these risks, and obtain adequate and appropriate audit evidence as a basis for issuing audit opinions. Since fraud may involve collusion, falsification, intentional omission, misrepresentation or override of internal controls, the risk of failing to detect a material misstatement due to fraud is higher than the risk of failure to detect a material misstatement due to an error.

(2) Understand the internal control related to auditing to design appropriate auditing procedures, but the purpose is not to express opinions on the effectiveness of internal control.

(3) Evaluate the appropriateness of accounting policies used by the management and the reasonableness of accounting estimates and related disclosures.

(4) Conclusions are reached on the appropriateness of management's use of continuing operations assumptions. At the same time, based on the audit evidence obtained, it may lead to conclusions as to whether there are significant uncertainties in matters or circumstances that may cause major concerns about the company's continuing operations capabilities. If we conclude that there are significant uncertainties, the auditing standards require us to request the users of the report to pay attention to the relevant disclosures in the financial statements in the audit report; if the disclosure is not sufficient, we should not publish unqualified opinions. Our conclusions are

based on the information available as of the date of the audit report. However, future events or circumstances may also prevent the company from continuing operation.

(5) Evaluate the overall presentation, structure, and content (including disclosures) of the financial statements and evaluate whether the financial statements fairly reflect the relevant transactions and events.

We communicate with the governance team on the scope, timing, and major audit findings of audit, including communication of the internal control deficiencies that we identified during the audit.

Chuzhou Heng Li Xin Certified Public Accountants Office

(General Partnership)

Chuzhou · China

Certified Public Accountant:

Certified Public Accountant: 程秀梅

March 6, 2019

Balance Sheet

12/31/18

Name of enterprise: ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD

Unit: RMB Yuan

Assets	NO.	Ending balance	Beginning balance	Liabilities and owners' equity	NO.	Ending balance	Beginning balance
Current assets:	1			**Current liability:**	34		
Cash	2	1,479,520.89	1,833,479.39	Short-term borrowings	35	41,407,453.58	37,638,173.58
Financial assets measured at fair value and changes recorded into current period profit or loss	3			Financial liability measured at fair value and changes recorded into current period profit or loss	36		
Derivative financial asset	4			Derivative financial liabilit	37		
Notes receivable & Accounts receivable	5	19,776,486.25	17,996,808.47	Notes payable & Accounts payable	38	16,903,229.32	12,906,644.81
Prepayments	6	5,238,942.53	1,632,529.28	Advance receipts	39	1,063,850.79	42,981.00
Other receivables	7	968,356.13	553,462.54	Employee pay payable	40	1,623,946.99	1,447,949.39
Inventories	8	15,541,180.13	11,690,962.19	Taxes payable	41	118,612.75	105,764.54
Assets held for sale	9			Other payables	42	369,034.10	316,601.89
Current portion of non-current assets	10			Liabilities held for sale	43		
Other current assets	11	176,220.52	406,345.32	Non-current liabilities due within one year	44		
Total current assets	12	**43,180,706.45**	**34,113,587.19**	Other current liabilities	45		
Non-current assets:	13			**Total current liabilities**	46	**61,486,127.53**	**52,458,115.21**
Financial assets available for sale	14			Non-current liabilities:	47		
Held-to-maturity investments	15			Long-term loans	48		
Long-term account receivable	16			Bonds payable	49		
Long-term equity investments	17			Long-term payable	50		
Investment properties	18			Accrued liabilities	51		
Fixed assets	19	33,378,348.37	32,717,791.85	Deferred income	52		
Minus: accumulated depreciation	20	14,863,711.40	12,658,235.00	Deferred income tax liabilities	53		
Net value of fixed assets	21	18,514,636.97	20,059,556.85	Other non-current liabilities	54		
Construction in progress	22	12,025,386.35	7,625,976.73	**Total non-current liabilities**	55		
Productive biological assets	23			**Total liabilities**	56	**61,486,127.53**	**52,458,115.21**
Oil and gas assets	24			Owners' equity:	57		
Intangible assets	25	2,005,392.00	2,054,304.00	Paid-up capital (or capital stock)	58	15,129,621.98	15,129,621.98
Development expenditure	26			Other equity income	59		
Business reputation	27			Capital reserves	60		
Long-term deferred expenses	28	247,552.24	168,703.83	Minus: treasury stock	61		
Deferred income tax assets	29			Other comprehensive Income	62		
Other non-current assets	30			Surplus reserves	63		
Total non-current assets	31	**32,792,967.56**	**29,908,541.41**	Undistributed profits	64	-642,075.50	-3,565,608.59
	32			**Total owners' equity**	65	**14,487,546.48**	**11,564,013.39**
Total assets	33	**75,973,674.01**	**64,022,128.60**	**Total liabilities and owners' equity**	66	**75,973,674.01**	**64,022,128.60**

Legal Representative: **General Manager Of Accounting :** **Chief Financial Officer:**

Income Statement

Year 2018

Name of enterprise: ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD Unit: RMB Yuan

Item	NO.	This Year	Last Year
I. Revenue	1	**104,678,022.68**	**75,488,055.26**
Minus: Operating costs	2	89,761,748.02	68,452,432.19
Taxes and surcharges	3	739,579.96	642,144.46
Selling expenses	4	2,949,063.72	2,507,078.68
General and administrative expenses	5	4,879,184.24	4,372,771.57
Development costs	6		
Financial expenses	7	3,939,546.09	1,706,491.19
Include: Interest expenses	8	2,831,333.38	2,431,623.98
Interest income	9	-3,955.99	-43,626.39
Asset impairment losses	10		
Plus: Other income	11	504,711.00	130,742.26
Investment income ("-" represents loss)	12		
Include: Income from associates	13		
Changes of fair value of assets ("-" represents loss)	14		
Asset disposal income ("-" represents loss)	15	11,854.42	109,590.13
II. Operating profit	16	**2,925,466.07**	**-1,952,530.44**
Plus: Non-operating income	17	3,746.08	3,180.50
Minus: Non-operating expense	18	5,679.06	236,002.49
III. Total profits	19	**2,923,533.09**	**-2,185,352.43**
Minus: Income tax expenses	20		
IV. Net profit	21	**2,923,533.09**	**-2,185,352.43**
(1) Net profit of continued operating	22	**2,923,533.09**	**-2,185,352.43**
(2) Net profit of discontinued operating	23		
V. Net of tax from other comprehensive income	24		
(1) Other comprehensive income cannot reclassified into the profit and loss	25		
a) Remeasure the variation of defined benefit plans	26		
b) Other comprehensive income that cannot be classified into profit and loss under equity methhod	27		
(2) Other comprehensive income that will be reclassified into profit and loss	28		
a) Other comprehensive income that will be classified into profit and loss under equity method	29		
b) Changes in fair value through profit and loss of available-for-sale financial assets	30		
c) Held-to-maturity investment reclassified into available-for-sale financial assets	31		
d) Effective part of cash-flow hedge profit and loss	32		
e) Balance arising from the translation of foreign currency financial statements	33		
VI. Comprehensive income in total	34	**2,923,533.09**	**-2,185,352.43**
VII. Earnings per share	35		
(1)Basic EPS	36		
(2) Diluted EPS	37		

Legal Representative: **General Manager Of Accounting :** **Chief Financial Officer:**

Statement of Cash Flows

Year 2018

Name of enterprise: ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD **Unit: RMB Yuan**

Item	NO.	This Year	Last Year
I. Cash flow from operations	1		
Cash received from sales of goods or rendering services	2	109,629,478.16	80,886,682.43
Refunds of taxes	3	3,597,501.10	1,904,748.99
Cash received relating to other operating activities	4	508,666.99	174,968.65
Sub-total of cash inflows from operating activities	**5**	**113,735,646.25**	**82,966,400.07**
Cash paid for goods or receiving services	6	89,936,256.36	60,256,508.49
Cash paid to and on behalf of employees	7	13,406,484.74	11,286,209.17
Tax payments	8	1,270,877.19	2,295,154.21
Cash paid relating to other operating activities	9	3,858,406.86	2,662,623.07
Sub-total of cash outflows from operating activities	**10**	**108,472,025.15**	**76,500,494.94**
Net cash flow from operating activities	**11**	**5,263,621.10**	**6,465,905.13**
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	48,235.12	191,585.16
Net cash from disposal of subsidiary corporation and other business entity	16		
Cash received relating to other investing activities	17		
Sub-total of cash inflows from investing activities	**18**	**48,235.12**	**191,585.16**
Cash paid to acquire fixed assets intangible assets and other long-term assets	19	6,423,016.91	7,035,093.19
Cash paid to acquire investments	20		
Net cash from subsidiary corporation and other business entity	21		
Cash payments relating to other investing activities	22		
Sub-total of cash outflows from investing activities	**23**	**6,423,016.91**	**7,035,093.19**
Net cash flow from investing activities	**24**	**-6,374,781.79**	**-6,843,508.03**
III. Cash flows from financing activities:	25		
Cash from absorption of investments	26		
Receipts from loan	27	38,870,149.00	31,299,999.58
Cash received relating to other financing activities	28		
Sub-total of cash inflows from financing activities	**29**	**38,870,149.00**	**31,299,999.58**
Repayments of financial institution borrowings	30	35,419,999.00	29,400,000.00
Dividends paid, profit distributed or interest paid	31	2,783,676.83	2,880,980.10
Cash payments relating to other financing activities	32		
Sub-total of cash outflows from financing activities	**33**	**38,203,675.83**	**32,280,980.10**
Net cash flow from financing activities	**34**	**666,473.17**	**-980,980.52**
IV. Effect of foreign currency translation	**35**	**90,729.02**	**-93,069.36**
V. Net increase in cash and cash equivalents	**36**	**-353,958.50**	**-1,451,652.78**
Plus: Opening balance of cash and cash equivalents	**37**	**1,833,479.39**	**3,285,132.17**
VI. Ending balance of cash and cash equivalents	**38**	**1,479,520.89**	**1,833,479.39**

Legal Representative: **General Manager Of Accounting:** **Chief Financial Officer:**

Statement of Equity Changes

Name of enterprise: ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD **Year 2018** **Unit: RMB Yuan**

Item	NO.	This Year							Last Year						
		paid-up capital	Capital Reserve	Less: Treasury share	Other comprehensive income	Surplus Reserve	Undistributed Profits	Total Qwner's Equity	paid-up capital	Capital Reserve	Less: Treasury share	Other comprehensive income	Surplus Reserve	Undistributed Profits	Total Qwner's Equity
I. Balance at end of last year	1	15,129,621.98					-3,722,431.53	11,407,190.45	15,129,621.98					-1,028,035.91	14,101,586.07
Plus: Changes in accounting policies	2														
Corrections of prior period errors	3														
Others	4						156,822.94	156,822.94						-509,043.19	-509,043.19
II. Opening balance of this year	5	15,129,621.98					-3,565,608.59	11,564,013.39	15,129,621.98					-1,537,079.10	13,592,542.88
III. Increases and Decreases of This Year	6						2,923,533.09	2,923,533.09						-2,185,352.43	-2,185,352.43
(i) Total comprehensive income	7						2,923,533.09	2,923,533.09						-2,185,352.43	-2,185,352.43
(ii) Capital invested and reduced by the owners	8														
1. Owners' devoted capital	9														
2. Holders of other equity instruments invested capital	10														
3. Amount of share-based payments recorded into the owner's equities	11														
4. Others	12														
(iii) Profits distribution	13														
1. Withdrawal surplus reserves	14														
2. Distribute to owners (or shareholders)	15														
3. Others	16														
(iv) Internal carry-forward of owners' equities	17														
1. Capitalized capital (or stock) reserves	18														
2. Capitalized surplus (or stock) reserves	19														
3. Surplus reserves make-up losses	20														
4. Carry over retained earnings from defined benefit plans	21														
5. Carry over retained earnings from other comprehensive income	22														
6. Others	23														
IV. Ending balance of this year	24	**15,129,621.98**					**-642,075.50**	**14,487,546.48**	15,129,621.98					-3,722,431.53	11,407,190.45

Legal Representative: **General Manager Of Accounting:** **Chief Financial Officer:**

ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR 2018

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 scaffolding (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 16%;

(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	Ending balance	Opening Balance
Cash	462, 001. 77	182, 059. 76
Cash in bank	1, 017, 519. 12	1, 651, 419. 63
Total	1, 479, 520. 89	1, 833, 479. 39

2. Notes receivable & Account receivable

(1) Notes receivable

Debtors' names	Ending balance	Business content	Remark
Taicang Datianmingbo Packing Co., Ltd.	530, 000. 00	Paid by banker's acceptance bill	Six months

JFE Steel Drum (Zhejiang) Co., Ltd.	445, 210. 00	Paid by banker's acceptance bill	Six months
Ningbo Jilong Steel Co., Ltd.	150, 000. 00	Paid by banker's acceptance bill	Six months
Suzhou Jintai Drum Co., Ltd.	121, 205. 18	Paid by banker's acceptance bill	Six months
Yantai Guoxin Steel Packing Co., Ltd.	100, 000. 00	Paid by banker's acceptance bill	Six months
JFE Steel Drum (Shanghai) Co., Ltd.	91, 291. 00	Paid by banker's acceptance bill	Six months
CPMC Holdings Limited (Kunshan)	73, 679. 01	Paid by banker's acceptance bill	Six months
Jiangsu Zhongyi Packing Co., Ltd.	53, 500. 00	Paid by banker's acceptance bill	Six months
JFE Steel Drum (Jiangsu) Co., Ltd.	30, 000. 00	Paid by banker's acceptance bill	Six months
Total	1, 594, 885. 19		

(2) Account receivable

(a) Aging analysis

Aging	End of the year			Beginning of the year		
	Amount	Proportion	Bad debt reserves	Amount	Proportion	Bad debt reserves
Within one year	18, 167, 372. 06	99. 92%		16, 626, 444. 45	99. 92%	
One to three years	14, 229. 00	0. 08%		13, 904. 00	0. 08%	
Above three years						
Total	18, 181, 601. 06	100%		16, 640, 348. 45	100%	

(b) Principal debtors

No.	Debtors' name	Ending balance	Reason	Aging
1	TECHNOCRAFT AUSTRALIA PTY LTD	7, 701, 973. 46	Payment for goods	Within one year
2	TECHNOCRAFT INDUSTRIES (INDIA)	1, 745, 344. 12	Payment for goods	Within one year
3	Taicang SFZT Drum Co., Ltd.	1, 232, 868. 10	Payment for goods	Within one year
4	Taicang Datianmingbo Drum Co., Ltd.	1, 172, 500. 00	Payment for goods	Within one year
5	JFE Steel Drum (Zhejiang) Co., Ltd.	729, 315. 01	Payment for goods	Within one year

3. Prepayment

(1) Aging and proportion analysis

Aging	End of the year			Beginning of the year		
	Amount	Proportion	Bad debt reserves	Amount	Proportion	Bad debt reserves
Within one year	5, 205, 743. 13	97. 50%		1, 600, 989. 88	92. 41%	
One to three years	30, 700. 00	0. 58%		131, 539. 40	7. 59%	100, 000. 00
Above three years	102, 499. 40	1. 92%	100, 000. 00			
Total	5, 338, 942. 53	100%	100, 000. 00	1, 732, 529. 28	100%	100, 000. 00

(2) Principal debtors

No.	Debtors' name	Ending balance	Reason	Aging
1	Wuxi Jiajitong Metals-trading Co., Ltd.	1, 478, 807. 26	Advance payment	Within one year

2	Nanjing Liuhe Tianhong machinery works	561, 564. 79	Advance payment	Within one year
3	Nanjing Renyi Technology and Trade Co., Ltd.	551, 313. 62	Advance payment	Within one year
4	Rugao City, Aizhong Machinery Manufacturing Co., Ltd.	278, 270. 75	Advance payment	Within one year
5	Tianjin Well Made System Scaffolding Co., Ltd.	269, 642. 26		

4. Other receivables

(1) Aging analysis

Aging	End of the year			Beginning of the year		
	Amount	Proportion	Bad debt reserves	Amount	Proportion	Bad debt reserves
Within one year	892, 721. 45	92. 19%		491, 462. 54	88. 80%	
One to three years	15, 634. 68	1. 61%		2, 000. 00	0. 36%	
Above three years	60, 000. 00	6. 20%		60, 000. 00	10. 84%	
Total	968, 356. 13	100%		553, 462. 54	100%	

(2) Principal debtors

No.	Debtors' name	Ending balance	Reason	Aging
1	Export Rebates	546, 138. 01	Tax	Within one year
2	Labour Insurance	106, 233. 84	Reimbursed Expenses	Within one year
3	Quanjiao Administration of Power Supply	60, 000. 00	Guarantee Deposit	Above three years
4	Diao Jundong	60, 233. 87	Borrowing	Within one year

5. Inventory

(1) Item

Category	End of the year		Beginning of the year	
	Amount	Proportion	Amount	Proportion
Raw materials	7, 896, 161. 32	50. 81%	7, 976, 773. 35	68. 23%
Unfinished products			7, 516. 17	0. 06%
Finished products	7, 645, 018. 81	49. 19%	3, 706, 672. 67	31. 71%
Total	15, 541, 180. 13	100%	11, 690, 962. 19	100%

(2) Capitalization of borrowing costs not exist in this period.

6. Other current assets

No.	Item	Ending balance	Beginning balance
1	VAT Payable	610. 00	47, 359. 85
2	Corporate income tax payable	121, 140. 39	18, 053. 46
3	Urban construction tax payable		26, 867. 97
4	Extra charges of education funds payable		16, 120. 78
5	Local extra charges of education funds payable		10, 747. 26
6	Input tax to be authenticated	54, 470. 13	4, 460. 68
7	Input tax to be deducted		179, 648. 39
	Total	176, 220. 52	406, 345. 32

7. Fixed assets

(1) Original value and accumulated depreciation

Item	Beginning balance	Increase for current period	Decrease for current period	Ending balance
① Original value:	32, 717, 791. 85	812, 394. 12	151, 837. 60	33, 378, 348. 37
(a) House and Building	16, 959, 863. 88			16, 959, 863. 88
(b) Mechanical equipment	1, 4676, 528. 99	674, 129. 47	147, 692. 30	15, 202, 966. 16
(c) Electronic equipment	320, 032. 33	9, 485. 34	4, 145. 30	325, 372. 37
(d) Transportation	673, 338. 77	128, 779. 31		802, 118. 08

vehicles				
(e) Furniture and instrument	88, 027. 88			88, 027. 88
②Accumulated depreciation:	12, 658, 235. 00	2, 320, 926. 14	115, 449. 74	1, 486, 3711. 4
(a) House and Building	5, 269, 992. 60	800, 304. 48		6, 070, 297. 08
(b) Mechanical equipment	6, 616, 574. 10	1, 409, 609. 96	111, 511. 70	7, 914, 672. 36
(c) Electronic equipment	261, 866. 29	25, 503. 14	3, 938. 04	283, 431. 39
(d) Transportation vehicles	440, 486. 04	76, 244. 58		516, 730. 62
(e) Furniture and instrument	69, 315. 97	9, 263. 98		78, 579. 95
③ Net value of fixed assets	20, 059, 556. 85	-1, 508, 532. 02	36, 387. 86	18, 514, 636. 97

(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.

8. Construction in progress

Item	Beginning balance	Increase for current period	Decrease for current period	Ending balance
Constructional Engineering	4, 004, 125. 26	44, 000. 00		4, 048, 125. 26
Installation Project	3, 621, 851. 47	4, 355, 409. 62		7, 977, 261. 09
Total	7, 625, 976. 73	4, 399, 409. 62		12, 025, 386. 35

9. 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	391, 296. 00	48, 912. 00		440, 208. 00
Land usage right	391, 296. 00	48, 912. 00		440, 208. 00
③ Net value of intangible assets	2, 054, 304. 00	-48, 912. 00		2, 005, 392. 00

(2) The company has the right of land-use on 32415.06 square meters, 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.

10. Long-term deferred expenses

Item	Beginning balance	Increase for current period	Amortization in current period	Ending balance
Mold expense	81, 809. 85	129, 021. 54	88, 282. 74	122, 548. 65
Building Maintenance Expenses	34, 094. 59	76, 921. 26	43, 060. 51	67, 955. 34
Rental fee	15, 440. 91	70, 800. 00	69, 862. 01	16, 378. 90
Insurance Expenses	37, 358. 48	61, 004. 00	57, 693. 13	40, 669. 35
Total	168, 703. 83	337, 746. 80	258, 898. 39	247, 552. 24

11. Short-term borrowing

Lenders	Ending balance	Loan period	Rate of interest	Expired or not
TECHNOCRAFT INDUSTRIES（INDIA）	6, 657, 304. 00	Two Years		Not expired
Quanjiao Sub-branch of Industrial and Commercial Bank of China	10, 300, 000. 00	One year	5. 22%	Not expired
Shanghai Sub-branch of Citibank	24, 450, 149. 58	One year		Not expired
Total	41, 407, 453. 58			

Note: The ending balance of the loan from TECHNOCRAFT INDUSTRIES (INDIA) is 970, 000. 00 US dollars.

12. Account payable

(1) Aging analysis

Aging	End of the year		Beginning of the year	
	Amount	Proportion	Amount	Proportion
Within one year	16, 728, 251. 27	98. 96%	12, 731, 386. 09	98. 64%
One to three years	80, 540. 05	0. 48%	80, 820. 72	0. 63%
Above three years	94, 438. 00	0. 56%	94, 438. 00	0. 73%
Total	16, 903, 229. 32	100%	12, 906, 644. 81	100%

(2) Principal Creditors

No.	Creditors' name	Ending balance	Reason	Aging
1	TECHNOCRAFT INDUSTRIES（INDIA）	7, 028, 032. 54	Payment for goods	Within one year
2	Assess on materials expenses	5, 131, 873. 89	Payment for goods	Within one year
3	Yizheng Metal Products Technology Co., Ltd.	1, 267, 592. 72	Payment for goods	Within one year
4	Nanjing Hongye International	899, 902. 78	Payment for goods	Within one year

	Transport Co., Ltd			
5	Nanjing Ruigang Steel Co., Ltd	648, 098. 63	Payment for goods	Within one year
6	Anhui Pengyu Metal Products Co., Ltd	201, 470. 40	Payment for goods	Within one year

13. Advances from customers

(1) Aging analysis

Aging	End of the year		Beginning of the year	
	Amount	Proportion	Amount	Proportion
Within one year	1, 044, 350. 79	98. 17%	42, 981. 00	100%
One to three years	19, 500. 00	1. 83%		
Total	1, 063, 850. 79	100%	42, 981. 00	100%

(2) Principal Creditors

No.	Creditors' name	Ending balance	Reason	Aging
1	TECHNOCRAFT AUSTRALIA PTY LTD	1, 012, 557. 99	Payment for goods	Within One year
2	Jurong Zhenyao Pack Container Co., Ltd	20, 000. 00	Payment for goods	Within One year

14. Employee pay payable

Item	Beginning balance	Increase for current period	Decrease in current period	Ending balance
Wages payable	1, 447, 949. 39	11, 625, 387. 59	11, 449, 389. 99	1, 623, 946. 99
Welfare payable		447, 950. 70	447, 950. 70	
Labor insurance		1, 481, 004. 05	1, 481, 004. 05	
Personnel education		23, 140. 00	23, 140. 00	
Union		5, 000. 00	5, 000. 00	

expenditure				
Total	1, 447, 949. 39	13, 582, 482. 34	13, 406, 484. 74	1, 623, 946. 99

15. Taxes payable

No.	Tax item	Ending balance	Beginning balance
1	Building tax payable	37, 175. 06	36, 369. 62
2	Land use right tax payable	32, 415. 06	64, 830. 12
3	Urban construction tax payable	16, 431. 68	
4	Extra charges of education funds payable	9, 859. 01	
5	Local extra charges of education funds payable	6, 572. 67	
6	Stamp tax payable	2, 536. 91	4, 564. 80
7	Personal income tax payable	13, 622. 36	
	Total	118, 612. 75	105, 764. 54

16. Other payables

(1) Interest payable

Item	Beginning balance	Increase for current period	Decrease in current period	Ending balance
Interest of borrowings from India Company	219, 227. 05	687, 783. 81	696, 889. 89	210, 120. 97
Interest of borrowings from Bank	78, 607. 34	56, 762. 63		135, 369. 97
Total	297, 834. 39	744, 546. 44	696, 889. 89	345, 490. 94

(2) Other payables

(a) Aging analysis

Aging	End of the year		Beginning of the year	
	Amount	Proportion	Amount	Proportion
Within one year	22, 118. 16	93. 95%	17, 342. 50	92. 41%

One to three years	1, 425. 00	6. 05%	1, 425. 00	7. 59%
Total	23, 543. 16	100%	18, 767. 50	100%

(b) Principal Creditors

No.	Creditors' name	Year end balance	Reason	Aging
1	Board expenses	13, 873. 50	Board expenses	Within one year
2	Plate deposit	6, 361. 00	Guarantee deposit	Within one year
3	Labour suit deposit	1, 425. 00	Guarantee deposit	One to three years

17. 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).

18. Undistributed profit

Item	Amount	Remark
① Undistributed profit at beginning of	-3, 722, 431. 53	

this period		
Plus: net profit for the current year	2, 923, 533. 09	
prior year income adjustment	156, 822. 94	
② Profit available for distribution	-642, 075. 50	
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	-642, 075. 50	

19. Operation revenues and costs

Item	Accrual amount in this year		Accrual amount in last year	
	Income	Cost	Income	Cost
Main business	101, 755, 580. 45	89, 465, 148. 74	73, 752, 439. 11	68, 191, 303. 72
Include: export product	69, 631, 445. 93	62, 421, 210. 30	47, 587, 736. 45	45, 326, 392. 93
Sale in domestic market	32, 124, 134. 52	27, 043, 938. 44	26, 164, 702. 66	22, 864, 910. 79
Other business	2, 922, 442. 23	296, 599. 28	1, 735, 616. 15	261, 128. 47
Include: Raw material	297, 565. 95	296, 599. 28	193, 713. 50	260, 011. 38
Scraps	2, 555, 203. 08		1, 540, 785. 56	
Electric charge	1, 118. 03		1, 117. 09	1, 117. 09
Processing charges	68, 555. 17			
Total	104, 678, 022. 68	89, 761, 748. 02	75, 488, 055. 26	68, 452, 432. 19

This year the changeover withholdings on VAT of export product in Operating costs, which is tax refund forbidden, is 4, 100, 430. 88 RMB. The amount in last year is 3, 900, 597. 29 RMB.

20. Taxes and surcharges

No.	Item	Accrual amount in this year	Accrual amount in last year
1	Urban construction tax	169, 318. 02	111, 444. 59
2	Extra charges of education funds	101, 590. 84	66, 866. 77
3	Local extra charges of education funds	67, 727. 25	44, 577. 87
4	Stamp tax	27, 094. 51	21, 704. 93
5	Land use tax	226, 905. 42	259, 320. 48
6	House property tax	146, 283. 92	138, 229. 82
7	Vehicle and vessel tax	660. 00	
	Total	739, 579. 96	642, 144. 46

21. Selling expenses in this year is 2, 949, 063. 72 RMB, while the amount in last year is 2, 507, 078. 68 RMB in total.

No.	Item	Accrual amount in this year	Accrual amount in last year
1	Wage	542, 770. 92	378, 976. 90
2	Transportation expenses	2, 261, 231. 19	1, 982, 357. 12
3	Quality indemnity	21, 893. 99	15, 374. 94
4	Travel expense	93, 014. 69	82, 285. 24

22. Administration expenses in this year is 4, 879, 184. 24 RMB, while the amount in last year is 4, 372, 771. 57 RMB in total.

No.	Item	Accrual amount in this year	Accrual amount in last year
1	Wage	3, 001, 866. 74	2, 790, 965. 63
2	Welfare	222, 697. 49	281, 498. 93
3	Labor insurance	144, 961. 26	137, 191. 02

4	Entertainment expense	91, 321. 40	65, 971. 49
5	Travel expense	192, 669. 03	142, 680. 11
6	Office expenses	224, 999. 84	118, 645. 94
7	Maintenance cost	224, 500. 83	176, 464. 54
8	Depreciation cost	220, 443. 12	241, 456. 39
9	Amortization of intangible assets	48, 912. 00	48, 912. 00
10	Vehicle expense	130, 921. 59	155, 167. 79

23. Financial expense

No.	Item	Accrual amount in this year	Accrual amount in last year
1	Interest income	-3, 955. 99	-43, 626. 39
2	Interest expense	2, 831, 333. 38	2, 431, 623. 98
3	Commission charge	47, 721. 62	35, 435. 53
4	Profit or loss on exchange	1, 064, 447. 08	-716, 941. 93
	Total	3, 939, 546. 09	1, 706, 491. 19

24. Other income

No.	Item	Accrual amount in this year	Accrual amount in last year
1	Governmental subsidy	504, 711. 00	130, 742. 26
	Total	504, 711. 00	130, 742. 26

25. Capital disposition benefit

No.	Item	Accrual amount in this year	Accrual amount in last year
1	Income of disposal of fixed assets	11, 854. 42	109, 590. 13
	Total	11, 854. 42	109, 590. 13

26. Non-operating income & non-operating expenditure

	Item	Accrual amount in this year	Accrual amount in last year
①	Non-operating income		
(a)	Penalty income	3, 746. 08	2, 580. 50
(b)	No pay accounts receivable and accounts payable		600. 00
	Total	3, 746. 08	3, 180. 50
②	Non-operating expenditure		
(a)	Penalty outlay		1, 700. 00
(b)	Overdue fine	644. 21	233, 302. 49
(c)	Loss of disposal of fixed assets	34. 85	
(d)	Other expenditure	5, 000. 00	1, 000. 00
	Total	5, 679. 06	236, 002. 49

VI. **Cash Flows**

Adjust net profit to operating cash flow in an indirect method:

Item	This year	Last year
①**Reconciliation of net profit/(loss) to cash flows from operating activities:**		
Net profit	2, 923, 533. 09	-2, 185, 352. 43
Minus: loss on unconfirmed investment		
Plus: Impairment provision for assets		
Depreciation of fixed assets, oil & gas asset depletion, depreciation of productive biological assets	2, 320, 926. 14	2, 256, 840. 09
Amortization of intangible assets	48, 912. 00	48, 912. 00
Amortization of long-term prepaid expenses	258, 898. 39	93, 547. 46
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)	-11, 819. 57	
Losses on disposal of fixed assets（minus sign representing gains）		-109, 590. 13
Losses on the changes in fair value （minus sign representing gains）		
Financial expenses （minus sign representing gains）	3, 183, 866. 05	2, 106, 604. 37
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）	-3, 850, 217. 94	-732, 193. 60
Decrease in operating receivables （minus sign representing increase）	-5, 686, 208. 80	255, 293. 81
Increase in operating payables （minus sign representing decrease）	6, 157, 844. 00	3, 557, 149. 54
Others	-82, 112. 26	1, 174, 694. 02
Net cash flows from operating activities	**5, 263, 621. 10**	**6, 465, 905. 13**
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	1, 479, 520. 89	1, 833, 479. 39
Minus: Opening balance of cash	1, 833, 479. 39	3, 285, 132. 17
Add: Closing balance of cash equivalents		
Minus: Opening balance of cash equivalents		
Net increase of cash and cash equivalents	-353, 958. 50	-1, 451, 652. 78

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 2018 are as follows:

(1) Purchase

Name	This year	Last year
TECHNOCRAFT INDUSTRIES（INDIA）	9, 106, 927. 56	7, 996, 031. 12
Total	9, 106, 927. 56	7, 996, 031. 12

(2) Sales

Name	This year	Last year
TECHNOCRAFT INDUSTRIES（INDIA）	2, 142, 341. 06	249, 924. 23
Total	2, 142, 341. 06	249, 924. 23

(3) Contacts

Item	Ending balance	Beginning balance
① Accounts receivable		
TECHNOCRAFT INDUSTRIES（INDIA）	1, 745, 344. 12	90, 452. 28
② Short-term borrowing		

TECHNOCRAFT INDUSTRIES（INDIA）	6, 657, 304. 00	6, 338, 174. 00
③ Accounts payable		
TECHNOCRAFT INDUSTRIES（INDIA）	7, 028, 032. 54	4, 431, 112. 89
④ Interest payable		
TECHNOCRAFT INDUSTRIES（INDIA）	210, 120. 97	219, 227. 05

VIII. Commitment

None.

IX. Subsequent events

None.

X. Additional statement

In this period, there is no provision for bad-debt, inventory falling price, fixed assets depreciation or long-term equity investment depreciation.

ANHUI RELIABLE STEEL TECHNOLOGY CO.LTD

March 5, 2019

Technocraft NZ Limited, New Zealand.

Annual Report

TECHNOCRAFT NZ LIMITED
For the year ended 31 March 2019

Prepared by Orb360 Auk Limited

Contents

Compilation Report

TECHNOCRAFT NZ LIMITED
For the year ended 31 March 2019

Compilation Report to the Directors of TECHNOCRAFT NZ LIMITED.

Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of TECHNOCRAFT NZ LIMITED for the year ended 31 March 2019.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

Responsibilities

The Directors are solely responsible for the information contained in the financial statements and have determined that the Special Purpose Reporting Framework used is appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

Independence

We have no involvement with TECHNOCRAFT NZ LIMITED other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on these financial statements.

Orb360 Auk Limited

Level 6, 5 Short Street
Newmarket, Auckland

Dated: 16 May 2019

Directory

TECHNOCRAFT NZ LIMITED
For the year ended 31 March 2019

Issued Capital

Technocraft Industries India Limited - 100% Shareholder

Nature of Business

Scaffolding Construction

Registered Office

128 Mauku Road, Patumahoe, Patumahoe, New Zealand, 2678

Company Number

7169213

Date of Formation

07 December 2018

New Zealand Business Number

9429047176959

IRD Number

128-272-712

Directors

Ashok Thukra AMIN

Sita Ram SAINI

Chartered Accountant

Orb 360 AUK Limited
Newmarket, Aukland

Bankers

ANZ

Approval of Financial Report

TECHNOCRAFT NZ LIMITED
For the year ended 31 March 2019

The Directors are pleased to present the approved financial report including the historical financial statements of TECHNOCRAFT NZ LIMITED for year ended 31 March 2019.

APPROVED

For and on behalf of the Board of Directors.

____

Ashok Thukra AMIN

Date ....

____

Sita Ram SAINI

Date ....

Statement of Profit or Loss

TECHNOCRAFT NZ LIMITED
For the year ended 31 March 2019

	2019	NOTES	2018
Cost of Sales			
Closing Stock	(51,382)		-
Purchases	51,382		-
Total Cost of Sales	**-**		**-**
Gross Profit	-		-
Expenses			
Bank Fees	10		-
Consulting & Accounting	750		-
Freight & Courier	2,014		-
Total Expenses	**2,774**		**-**
Net Profit (Loss) Before Taxation	**(2,774)**		**-**
Net Profit (Loss) for the Year	**(2,774)**		**-**

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Statement of Changes in Equity

TECHNOCRAFT NZ LIMITED
For the year ended 31 March 2019

	2019	2018
Equity		
Opening Balance	-	-
Increases		
Profit for the Period	(2,774)	-
Total Increases	**(2,774)**	**-**
Total Equity	**(2,774)**	**-**

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Balance Sheet

TECHNOCRAFT NZ LIMITED
As at 31 March 2019

	31 MAR 2019	NOTES	31 MAR 2018
Assets			
Current Assets			
Cash and Bank			
Business Current Account	7,264		-
Total Cash and Bank	**7,264**		**-**
GST Receivable	6,891		-
Inventories	51,382		-
Technocraft Industries (India) Limited	100,000		-
Total Current Assets	**165,537**		**-**
Total Assets	**165,537**		**-**
Liabilities			
Current Liabilities			
Trade and Other Payables	52,349		-
Technocraft Australia Limited	15,962		-
Total Current Liabilities	**68,311**		**-**
Total Liabilities	**68,311**		**-**
Net Assets	**97,226**		**-**
Equity			
Share Capital	100,000		-
Retained Earnings	(2,774)		-
Total Equity	**97,226**		**-**

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Shareholder Current Accounts

TECHNOCRAFT NZ LIMITED

For the year ended 31 March 2019

	2019	2018
Shareholder Current Accounts		

Notes to the Financial Statements

TECHNOCRAFT NZ LIMITED
For the year ended 31 March 2019

1. Reporting Entity

TECHNOCRAFT NZ LIMITED is a company incorporated under the Companies Act 1993 and is engaged in the business of Scaffolding construction.

This special purpose financial report was authorised for issue in accordance with a resolution of directors dated 15 May 2019.

2. Statement of Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with the Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand.

Historical Cost

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ$) and all values are rounded to the nearest NZ$, except when otherwise indicated.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Inventories

Inventories are stated at the lower of cost, determined on a first-in-first-out basis, and net realisable value.

The cost of work in progress and finished goods includes the cost of direct materials, direct labour and a proportion of the manufacturing overhead, based on the normal capacity of the facilities, expended in putting the inventories in their present location and condition.

Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

Goods and Services Tax

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

	2019	2018
3. Income Tax Expense		
Net Profit (Loss) Before Tax	(2,774)	-
Deductions from Taxable Profit		
Losses Carried Forward	-	-
Total Deductions from Taxable Profit	**-**	**-**

Taxable Profit (Loss)	(2,774)	-
Tax Payable at 28%	-	-
Income Tax Payable (Refund Due)	-	-

	2019	2018

4. Equity

Retained Earnings		
Current Year Earnings	(2,774)	-
Total Retained Earnings	**(2,774)**	**-**
Total Equity	**(2,774)**	**-**

Technosoft Engineering Inc,
USA.

(Formerly known as Impact Engineering Solutions Inc)

3:07 PM
03/18/19
Accrual Basis

Technosoft Engineering Inc.
Monthly Profit & Loss-Total Company
January through December 2018

	Jan - Dec 18
	USD
Ordinary Income/Expense	
Income	
4110 · Project Revenue	25,44,712
4115 · Technosoft Offshore	9,98,011
4310 · On-Site Revenue	52,70,988
4510 · Perm Placement Revenue	19,000
4710 · Reimb Revenue	2,37,726
Total Income	90,70,437
Cost of Goods Sold	
5010 · Labor-Direct	33,47,889
5110 · P/R Taxes-FICA	2,13,733
5120 · P/R Taxes-Unemployment	19,440
5210 · Insurance-Health & Life	2,21,074
5220 · Insurance-LTD & STD	6,035
5240 · Dental/Eye Expense	3,281
5410 · Visa Expenses	2,28,013
5460 · Travel - Indirect	3,23,663
5630 · Software Maintenance	4,309
5670 · Depreciation	2,760
5680 · Sales Commissions	80,176
5685 · AM Incentive	15,228
5810 · Technosoft Outsource	31,21,669
Total COGS	75,87,270
Gross Profit	14,83,167
Expense	
6000 · Sales Expenses	
6010 · Salaries	0
6110 · P/R Taxes-FICA	0
6210 · Insurance-Health & Life	6,662
6310 · Travel	2,08,380
6320 · Meals & Entertainment	5,716
6570 · Marketing Expense	14,422
6710 · Sales Cloud Software Expense	34,564
6801 · Sales and Recruitment Support	5,28,515
6910 · Miscellaneous	3,240
Total 6000 · Sales Expenses	8,01,499
7000 · Recruiting Exp	
7510 · Recruiting & Employment Costs	45,223
Total 7000 · Recruiting Exp	45,223
8000 · Admin Exp	
8010 · Salaries	36,783
8110 · P/R Taxes-FICA	2,771
8120 · P/R Taxes-Unemployment	338
8210 · Insurance-Health & Life	4,890
8220 · Insurance-LTD & STD	179
8310 · Travel	64,207
8320 · Meals & Entertainment	1,764
8410 · 401K Admin Charges	1,100

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03/18/19
Accrual Basis

Technosoft Engineering Inc.
Monthly Profit & Loss-Total Company
January through December 2018

	Jan - Dec 18
8420 · Payroll Processing Charges	8,585
8430 · Seminars/Training	679
8440 · Employee Specialty Expense	2,342
8510 · Professional Fees	9,988
8520 · State Filing fees	516
8530 · Bank Charges	11,487
8550 · Personal Property Tax Expense	510
8610 · Office Supplies	889
8620 · Leases-Office Equipment	-169
8630 · Maintenance-Off. Equip- S/W	1,953
8640 · Postage	5,444
8660 · IT Infrastructure	9,205
8670 · Depreciation	3,216
8710 · Building Rent-Milwaukee	12,216
8725 · Rent	6,033
8750 · Telephone-Basic	34,617
8755 · Telephone-Cellular	13,359
8760 · Internet Charges	1,599
8770 · Insurance	
8772 · Property & Liability	30,247
8774 · Insurance-Workers' Comp	358
8776 · E & O Insurance	29,261
Total 8770 · Insurance	59,866
Total 8000 · Admin Exp	2,94,367
8900 · Management Expenses	
8910 · Consulting Contracts	18,000
8900 · Management Expenses - Other	3,21,963
Total 8900 · Management Expenses	3,39,963
Total Expense	14,81,052
Net Ordinary Income	2,115
Other Income/Expense	
Other Income	
9240 · Exchange Gain / Loss	2,211
Total Other Income	2,211
Other Expense	
9010 · Interest Expense	28,506
Total Other Expense	28,506
Net Other Income	-26,295
Net Income	**-24,180**

Technosoft Engineering Inc.
Balance Sheet
As of December 31, 2018

	Dec 31, 18
	USD
ASSETS	
Current Assets	
Checking/Savings	
1000 · Cash	23,278
Total Checking/Savings	23,278
Accounts Receivable	
1210 · Accounts Receivable-Trade	13,98,939
Total Accounts Receivable	13,98,939
Other Current Assets	
1400 · Other Receivables	10,52,271
1492 · Receivable-Swift Projects Inc.	20,000
1500 · Prepaid Exp	65,783
Total Other Current Assets	11,38,054
Total Current Assets	25,60,271
Fixed Assets	
1800 · Fixed Assets	3,91,116
1900 · Accum. Depr.	-3,72,819
Total Fixed Assets	18,297
Other Assets	
1996 · Investment in Tech. Innovation	5,000
1998 · Step Engineering	514
1999 · Investment in Tech. Services	10,000
Total Other Assets	15,514
TOTAL ASSETS	**25,94,082**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · Accounts Payable-Trade	7,14,861
Total Accounts Payable	7,14,861
Credit Cards	
American Express	35,214
Total Credit Cards	35,214
Other Current Liabilities	
2200 · Accrued Expenses	-19,418
2300 · Accrued Payroll	62,106
2370 · NY PFL Tax	15
2410 · Line of Credit	10,48,574
Total Other Current Liabilities	10,91,277
Total Current Liabilities	18,41,352
Total Liabilities	18,41,352
Equity	
3010 · Capital Stock	1,30,000
3020 · Treasury Stock	-4,20,705
3510 · Retained Earnings	10,67,617
Net Income	-24,181
Total Equity	7,52,731
TOTAL LIABILITIES & EQUITY	**25,94,083**

Technosoft Engineering UK Ltd,

UK

Technosoft Engineering UK Limited
Balance Sheet
As of December 31, 2018

		Amount in GBP
Fixed Asset		
Tangible assets		
1800 - Fixed Assets		
1820 - Computer Hardware		133.00
Total 1800 - Fixed Assets	**£**	**133.00**
1860 - Laptop		466.00
Total Tangible assets	**£**	**599.00**
Total Fixed Asset	**£**	**599.00**
Cash at bank and in hand		
1000 - Cash		
1050 - Checking - Citibank General		28,399.63
1070 - Cash-Payroll Clearing Account		-25,113.13
Total 1000 - Cash	**£**	**3,286.50**
Total Cash at bank and in hand	**£**	**3,286.50**
Debtors		
Debtors		1,06,380.08
Debtors - EUR		5,958.81
Total Debtors	**£**	**1,12,338.89**
Current Assets		
1210 - Accounts Receivable-Trade		0.00
1400 - Other receivables		
1410 - Employee Advances		200.00
1450 - Receivable-Technosoft Engineering Inc		-534.75
Total 1400 - Other receivables	**-£**	**334.75**
1500 - Prepaid Exp		
1510 - Prepaid Insurance		118.00
1520 - Prepaid Legal Fees/Visa Fees		4,575.46
1570 - Prepaid Rent		0.00
Total 1500 - Prepaid Exp	**£**	**4,693.46**
1600 - Security Deposits		1,001.30
Total Current Assets	**£**	**5,360.01**
Net current assets	**£**	**1,20,985.40**
Creditors: amounts falling due within one year		
Trade Creditors		
Creditors		5,040.45
Total Trade Creditors	**£**	**5,040.45**
Current Liabilities		
2010 - Accounts Payable-Trade		0.00
2200 - Accrued Expenses		
2250 - Accrued Income Tax		0.00
Total 2200 - Accrued Expenses	**£**	**0.00**
2300 - Accrued Payroll		
2310 - Accrued Wages		0.00
2320 - Accrued Commissions		0.00
2330 - Accrued Payroll Taxes		13,749.42

2340 - NEST Pension		183.33
Total 2300 - Accrued Payroll	**£**	**13,932.75**
2500 - Unsecured Loan		90,500.00
VAT Control		17,497.07
VAT Suspense		0.00
Total Current Liabilities	**£**	**1,21,929.82**
Total Creditors: amounts falling due within one year	**£**	**1,26,970.27**
Net current assets (liabilities)	**-£**	**5,984.87**
Total assets less current liabilities	**-£**	**5,385.87**
Total net assets (liabilities)	**-£**	**5,385.87**
Capital and Reserves		
Ordinary share capital		1.00
Retained Earnings		2,323.12
Profit for the year		-7,709.99
Total Capital and Reserves	**-£**	**5,385.87**

Technosoft Engineering UK Limited
Profit and Loss
January - December 2018

		Amt in GBP
Income		
4110 - Project Revenue		30,787.81
4310 - On-Site Revenue		3,73,652.82
4710 - Reimb Revenue		1,01,724.00
Total Income	**£**	**5,06,164.63**
Cost of Sales		
Cost of Goods Sold		
5010 - Labor-Direct		2,57,154.06
5110 - P/R Taxes-FICA		22,787.19
5270 - NEST Pension Emloyer Contribution		34.58
5410 - Visa Expenses		16,430.83
5460 - Travel - Indirect		698.00
5810 - Technosoft Outsource		1,18,238.35
Total Cost of Goods Sold	**£**	**4,15,343.01**
Total Cost of Sales	**£**	**4,15,343.01**
Gross Profit	**£**	**90,821.62**
Expenses		
6000 - Sales Expenses		
6010 - Salaries		49,999.84
6020 - Sales Commissions		-436.14
6110 - Payroll Taxes		5,745.48
6270 - NEST Pension Employer Contribution		867.89
6310 - Travel		6,674.77
6320 - Meals & Entertainment		536.00
6330 - Telephone-Basic		1,499.75
6710 - Sales Cloud Software Expense		15.00
Total 6000 - Sales Expenses	**£**	**64,902.59**
8000 - Admin Exp		
8220 - Insurance		3,534.00
8320 - Meals & Entertainment		13.67
8430 - Seminars/Training		13.88
8510 - Professional Fees		19,505.48
8530 - Bank Charges		3,678.42
8610 - Office Supplies		82.50
8640 - Postage		301.12
8710 - Rent		6,101.95
8800 - Bad Debts		0.00
Depreciation		398.00
Total 8000 - Admin Exp	**£**	**33,629.02**
Total Expenses	**£**	**98,531.61**
Net Operating Income	**-£**	**7,709.99**
Other Expenses		
Unrealised Gain or Loss		0.00
Total Other Expenses	**£**	**0.00**
Net Other Income	**£**	**0.00**
Net Income	**-£**	**7,709.99**

Technosoft GMBH, Germany.

(Formerly known as CAE System GMBH)

Technosoft GMBH
Balance Sheet
As of December 31, 2018

		EURO Total
Assets		
Current Assets		
Accounts receivable		
Accounts Receivable		26,044.65
Total Accounts receivable	**€**	**26,044.65**
1000 - Cash		
1030 - Petty Cash		0.00
1050 - Checking - Sparkasse Karlsruhe Bank		59,985.02
1055 - Dortmund 113100		0.00
1070 - Cash - Payroll Clearing Account		0.00
Total 1000 - Cash	**€**	**59,985.02**
1400 - Other Receivables		
1410 - Employee Advances		250.00
1420 - Social Security Liabilities		1,302.70
1450 - Input Tax Ded. following period/year		703.00
Total 1400 - Other Receivables	**€**	**2,255.70**
1500 - Prepaid Exp.		
1520 - Prepaid Legal Fees / Visa Fees		0.00
1530 - Prepaid Travel / Entry Expense		0.00
1590 - Prepaid Other		95.49
Total 1500 - Prepaid Exp.	**€**	**95.49**
Total Current Assets	**€**	**88,380.86**
Total Assets	**€**	**88,380.86**
Liabilities and shareholder's equity		
Current liabilities:		
Accounts payable		
Accounts Payable (A/P)		38,717.27
Total Accounts payable	**€**	**38,717.27**
Master Card 5526 77402 0503 2449		0.00
2200 - Accrued Expenses		
2215 - Accrued Vendor Invoices		0.00
Total 2200 - Accrued Expenses	**€**	**0.00**
2300 - Accrued Payroll		
2330 - Accrued Payroll Taxes		3,897.82
Total 2300 - Accrued Payroll	**€**	**3,897.82**
2310 - Accrued Wages		0.00
2320 - Accrued Commissions		0.00
2420 - Other Liability		400.00
2500 - Unsecured Loan		30,000.00
3000 - Provisions		
3010 - Other Provisions		3,026.00
Total 3000 - Provisions	**€**	**3,026.00**
VAT Payable		31,074.83
Total current liabilities	**€**	**1,07,115.92**
Shareholders' equity:		

Net Income		-14,284.48
2000 - Capital Reserve		30,000.00
Loss Carried Forward		-72,888.85
Subscribed Capital		60,000.00
Total 2000 - Capital Reserve	**€**	**17,111.15**
Retained Earnings		-21,561.73
Total shareholders' equity	**-€**	**18,735.06**
Total liabilities and equity	**€**	**88,380.86**

Technosoft GMBH
Profit and Loss
January - December 2018

		EURO Total
Income		
4115 - Technosoft Offshore		67,580.00
4120 - ITES Technosoft		41,447.44
4310 - Onsite Revenue		71,798.70
Total Income	**€**	**1,80,826.14**
Cost of Sales		
Cost of sales		
5010 - Labor-Direct		35,247.12
5110 - P/R Taxes-FICA		0.00
5210 - Insuarance-Health & Life		7,712.21
5310 - Travel-Job Related		1,593.75
5320 - Meals/Entertainment Expense		3.36
5460 - Travel - Indirect		3,191.26
5810 - Technosoft Outsource		1,03,100.34
Total Cost of sales	**€**	**1,50,848.04**
Total Cost of Sales	**€**	**1,50,848.04**
Gross Profit	**€**	**29,978.10**
Expenses		
6000 - Sales Expenses		
6010 - Salaries		11,496.77
6020 - Sales Commissions		1,392.21
6210 - Insuarance-Health & Life		2,686.18
6310 - Travel		3,302.03
6320 - Meals & Entertainment		241.09
6750 -Telephone-Basic		113.43
6801 - Sales & Recruitment Support		13,000.00
Total 6000 - Sales Expenses	**€**	**32,231.71**
8000 - Admin Exp		
8510 - Professional fees		179.75
8530 - Bank charges		165.60
8560 - Legal fees		10,465.00
8610 - Office Supply		474.14
8640 - Postage		0.70
8660 - IT Infrastructure		258.99
8760 - Internet Charges		100.68
8770 - Insurance		386.01
Total 8000 - Admin Exp	**€**	**12,030.87**
Total Expenses	**€**	**44,262.58**
Net Earnings	**-€**	**14,284.48**

Highmark International Trading FZE,

UAE.

Highmark International Trading FZE
Profit & Loss A/c
1-Apr-2018 to 31-Mar-2019 **Amount in AED**

Particulars	Highmark International Trading FZE		Particulars	Highmark International Trading FZE	
Purchase Accounts		**1,23,97,284.60**	**Sales Accounts**		**1,26,13,045.55**
Discount Received	*-5,072.41*		*Discount Given*	*-35,950.57*	
Purchase Account...	*1,24,02,357.01*		*Sales Account*	*1,26,48,996.12*	
Direct Expenses					
Gross Profit c/o		***2,15,760.95***			
		1,26,13,045.55			***1,26,13,045.55***
			Gross Profit b/f		***2,15,760.95***
			Indirect Incomes		**23,54,167.66**
Indirect Expenses		**14,64,894.22**	*Compensation Received*	*1,700.00*	
Accounting & Auditing Charges			*Fees Income*	*12,74,010.95*	
Accounting Fees			*Interest on Loan Accrued*		
Audit Fees	*10,000.00*		*Refund of Excess Fee*	*217.41*	
Bank Charges	*30,206.17*		*Rental Income - Houston*	*9,18,240.00*	
Depreciation on The Residence Property-UAE	*3,07,590.00*		*Rental Income - Residence*	*1,59,999.30*	
Depreication on The Houston Warehouse Property-USA	*3,86,090.00*				
Diff in Forex					
Dubai Land Department					
Expenses on Property - Houston	*18,665.15*				
Expenses on Property - Residence	*29,969.17*				
Forex Gain / Loss	*92,137.09*				
HPMC Manager Fees	*4,590.64*				
Interest on Loan - UK	*3,33,518.13*				
Legal & Professional Fees	*34,783.00*				
Loss on Disposal of Investment (Swift Engg)	*57,699.89*				
Miscellaneous Charges	*416.00*				
Mobile Expenses					
Sundry Balances Written Off	*14,013.71*				
Tax on Property(Houston)	*1,38,731.73*				
Travelling Expenses	*5,256.03*				
VAT on Input (VAT on Purchase) 5%	*1,227.51*				
Warehousing Charges					
Nett Profit		***11,05,034.39***			
Total		**25,69,928.61**	**Total**		**25,69,928.61**

Highmark International Trading FZE
Balance Sheet
1-Apr-2018 to 31-Mar-2019

Amount in AED

Liabilities	Highmark International Trading FZE		Assets	Highmark International Trading	
Capital Account		**2,00,000.00**	**Fixed Assets**		**1,45,21,373.86**
Capital Account	*2,00,000.00*		*Houston Land*	*44,45,446.47*	
Loans (Liability)		**84,16,779.80**	*Houston Warhouse (Under Construction)*	*72,24,098.89*	
Mr. Ashish Kumar Saraf	*18,30,706.75*		*Investment in Properties - Residence*	*46,11,540.00*	
MR.SHARADKUMAR SARAF	*13,71,544.25*		*Provision for Depreciation - Houston Warehouse*	*-3,86,090.00*	
Technocraft International Limited UK	*416.00*		*Provision for Depreciation - The Residence UAE*	*-13,73,621.50*	
TIL - UK	*52,14,112.80*		**Investments**		**37,69,378.00**
Current Liabilities		**1,90,251.36**	*Investment in Shares of Swift Engineering*	-	
Duties & Taxes	*26.44*		*New Property at Sky View (Under Construction)*	*37,69,378.00*	
Sundry Creditors	*1,28,891.58*		**Current Assets**		**16,51,744.42**
Advance Rent Received	*53,333.34*		*Closing Stock*		
Deposit Received	*8,000.00*		Deposits (Asset)	*6,210.00*	
Suspense A/c			Loans & Advances (Asset)	*7,94,989.30*	
Profit & Loss A/c		**1,11,35,465.12**	Sundry Debtors	*4,62,462.94*	
Opening Balance	*1,00,30,430.73*		Cash-in-hand	-	
Current Period	*11,05,034.39*		Bank Accounts	*2,73,091.03*	
			Highmark Property Management Corporation	*1,14,991.15*	
			Prepaid Expenses on Property	-	
Total		**1,99,42,496.28**	**Total**		**1,99,42,496.28**

-

AAIT/Technocraft Scaffolding Distribution LLC,

USA.

AAIT/ Technocraft Scaffold Distribution LLC
Profit & Loss
January through December 2018

	Jan - Dec 18
	USD
Ordinary Income/Expense	
Income	
4000 - SALES INCOME	2,14,02,541.43
Service Fees	1,970.14
Interest Income	4.97
Refunds	-2,149.07
Total Income	2,14,02,367.47
Cost of Goods Sold	
Purchases	1,59,08,534.10
Direct to Customer Purchases	12,86,675.67
Freight & Shipping Expenses	2,35,255.37
Customs & Duty Fees, Import Tax	1,68,309.47
Total COGS	1,75,98,774.61
Gross Profit	38,03,592.86
Expense	
Outside Services	2,484.43
E-Commerce	45,567.70
Advertising	1,21,917.72
Accounting	7,200.00
Auto and Truck Expenses	
Service & Maintenance	3,899.18
Service - Eduard	500.00
Fuel - Truck	9,225.91
Fuel - Eduard	2,500.22
Fuel - Ramesh	123.71
Fuel - John	90.08
Fuel - Justin	1,762.09
Allowance - John	6,000.00
Allowance - Justin	4,650.00
Allowance - Chapman	2,453.33
Parking and Tolls	4,337.90
Total Auto and Truck Expenses	35,542.42
Bad Debt	3,185.19
Bank Service Charges	18,919.55
Business Licenses and Permits	54.75
Casual Labor	22,928.40
Cleaning and Janitorial	5,925.00
Commissions	1,182.72
Computer Expenses	
Office	1,199.98
Computer Expenses - Other	142.45
Total Computer Expenses	1,342.43
Credit Card Processing Fees	603.61
Equipment Rental	17,741.42

	Jan - Dec 18
Insurance Expense	
Vehicle	328.00
Liability Insurance	2,98,274.50
Workers Compensation	4,361.00
Ins - Chapman	900.00
Ins - John	4,200.00
Ins - Justin	3,250.00
Total Insurance Expense	3,11,313.50
Interest Expense	1,00,375.05
Internet	3,904.71
Legal & Professional Fees	2,738.11
Licenses and Fees	1,13,853.06
Meals and Entertainment	
Meals and Entertainment -Rafael	792.22
Meals and Entertainment-Eduard	11,779.18
Meals and Entertainment-John	7,845.40
Meals and Entertainmnt - Justin	932.76
Meals and Entertainment-Ramesh	1,366.22
Meals & Entertainment - Chapman	749.38
Meals and Entertainment - Other	16.61
Total Meals and Entertainment	23,481.77
Moving Expense	87,623.57
Office Supplies & Expenses	
Office Supplies-Eduard	2,899.57
Office Supplies-John	3,017.69
Office Supplies-Ramesh	2,212.67
Office Supplies - Chapman	483.34
Office	6,967.04
Office Supplies & Expenses - Other	922.64
Total Office Supplies & Expenses	16,502.95
Professional Fees	
Consulting Fees	2,63,500.00
Professional Fees - Other	5,713.66
Total Professional Fees	2,69,213.66
Rent Expense	2,87,443.07
Repairs and Maintenance	50,945.86
Seminars & Trade Shows	2,177.54
Shipping	
Shipping - Justin	22.70
Shipping-Eduard	297.12
Shipping-John	3,641.38
Shipping - Other	77.96
Total Shipping	4,039.16
Subcontractors Expense	7,369.04
Taxes	

AAIT/ Technocraft Scaffold Distribution LLC
Profit & Loss
January through December 2018

	Jan - Dec 18
Social Security/Medicare	41,335.53
Federal Unemployment	3,619.42
Unemployment - FL	756.00
Unemployment - TX	378.02
Property	2,22,828.08
Total Taxes	2,68,917.05
Telephone Expense	
John	1,571.38
Justin	960.00
Office / Cellular	4,789.62
Total Telephone Expense	7,321.00
Travel	
Rafael	9,431.57
Office	491.10
Justin	7,221.91
Eduard	38,229.28
John	17,864.53
Ramesh	3,115.83
Chapman	725.38
Total Travel	77,079.60
Utilities	6,989.63
Warehouse Expenses	76,391.19
Wages	
Officer	82,500.00
Others	6,58,959.11
Total Wages	7,41,459.11
Total Expense	27,43,733.97
Net Ordinary Income	10,59,858.89
Other Income/Expense	
Other Income	
Other Income	876.00
Interest Inc - Naval Logistics	1,675.00
Sales tax Colletion Allowance	297.64
Total Other Income	2,848.64
Other Expense	
Depreciation Expense	64,015.32
Amortization Expense	2,258.00
Federal Income Tax Expense	1,86,310.63
State Income Tax Expense	1,28,279.00
Total Other Expense	3,80,862.95
Net Other Income	-3,78,014.31
Net Income	**6,81,844.58**

AAIT/ Technocraft Scaffold Distribution LLC
Balance Sheet
As of December 31, 2018

	Dec 31, 18
	USD
ASSETS	
Current Assets	
Checking/Savings	
Bank of America - 0950	2,43,961.23
Bank of America - 1497	19,340.26
Bank of America - 5363	2.71
Bank of America - 5486	47,566.33
Citibank - 9982	1,228.87
Total Checking/Savings	3,12,099.40
Accounts Receivable	
Accounts Receivable	80,24,359.42
Total Accounts Receivable	80,24,359.42
Other Current Assets	
1200 - INVENTARIO	1,31,48,021.31
Employee Advances	1,800.00
Total Other Current Assets	1,31,49,821.31
Total Current Assets	2,14,86,280.13
Fixed Assets	
Vehicles	51,170.74
Computer Equipment	12,457.58
Furniture and Equipment	22,673.70
Warehouse Equipment	1,31,904.81
Leasehold Improvements	48,290.98
Accumulated Depreciation	-1,74,866.82
Total Fixed Assets	91,630.99
Other Assets	
Loan Rec - Naval Logistics Inc	65,000.00
Deposit - Rent	21,000.00
Utility Deposits	600.64
Prepaid Int - LeaseDirect	1,485.54
Prepaid Int - Lease Corp/Amer	4,897.94
Prepaid Int - LeaseDirect #2	2,493.81
Organization Costs	31,952.38
Accumulated Amortization	-12,991.00
Total Other Assets	1,14,439.31
TOTAL ASSETS	**2,16,92,350.43**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	1,33,67,416.61
Total Accounts Payable	1,33,67,416.61
Credit Cards	
Bank of America 5083	1,06,886.04

AAIT/ Technocraft Scaffold Distribution LLC
Balance Sheet
As of December 31, 2018

	Dec 31, 18
Total Credit Cards	1,06,886.04
Other Current Liabilities	
Child Support Garnishment	1,107.70
Payroll Liabilities	10,203.93
Sales Tax Payable	96,294.16
Accrued Payroll Payable	1,148.09
Federal Income Tax Payable	44,821.00
State Income Tax Payable	1,12,564.00
Customer Deposits	68,326.00
Total Other Current Liabilities	3,34,464.88
Total Current Liabilities	1,38,08,767.53
Long Term Liabilities	
Note Pay - Citibank LOC	68,62,129.96
Note Pay - LeaseDirect $674.20	13,454.95
Note Pay - Lease Corp - $1,248.	27,460.40
Note Pay - LeaseDirect $561.77	22,642.27
Total Long Term Liabilities	69,25,687.58
Total Liabilities	2,07,34,455.11
Equity	
Capital Stock	100.00
Retained Earnings	2,75,950.74
Net Income	6,81,844.58
Total Equity	9,57,895.32
TOTAL LIABILITIES & EQUITY	**2,16,92,350.43**

Technosoft Innovations Inc,

USA.

Technosoft Innovations Inc
Balance Sheet
As of December 31, 2018

	USD Amount
ASSETS	
Current Assets	
Bank Accounts	
1000 - Cash	
1050 - Checking - Citibank	21,137.32
1060 - Checking - PNC	0.00
1070 - Cash - Payroll Clearing Account	0.00
Total 1000 - Cash	**$ 21,137.32**
Total Bank Accounts	**$ 21,137.32**
Accounts Receivable	
Accounts Receivable	6,45,042.17
Total Accounts Receivable	**$ 6,45,042.17**
Other Current Assets	
1400 - Other Receivables	
1410 - Employee Advances	0.00
1450 - Receivable - Technosoft Engineering Projects Limited	0.00
1480 - Receivable - Debtors	27,849.60
1490 - Receivable - Technosoft Engineering Inc	0.00
Total 1400 - Other Receivables	**$ 27,849.60**
1500 - Prepaid Exp.	
1520 - Prepaid Legal Fees / Visa Fees	0.00
1530 - Prepaid Travel / Entry Expense	2,213.84
1535 - Prepaid Printing Expenses	0.00
1536 - Prepaid Telephone Expenses	0.00
1537 - Prepaid Electricity Expenses	0.00
1538 - Prepaid Internet Charges	0.00
1540 - Prepaid Maintenance	0.00
1550 - Prepaid Moving Exp.	0.00
1555 - Prepaid Software	3,976.11
1565 - Prepaid Professional fees	0.00
1590 - Prepaid Other	8,485.64
1596 - Prepaid Advertisement Exp.	0.00
Total 1500 - Prepaid Exp.	**$ 14,675.59**
1600 - Security Deposit	6,063.42
1700 - Goodwill	2,22,000.00
1701 - Accum Depr-Goodwill	-57,350.00
1750 - Covenant not to compete	50,000.00
1751 - Accum Depr-Convenant	-25,833.33
Total Other Current Assets	**$ 2,37,405.28**
Total Current Assets	**$ 9,03,584.77**
Fixed Assets	
1800 - Fixed Assets	
1810 - Furniture	22,300.00
1820 - Computer Hardware	31,141.48
1821 - Check Scanner	0.00
1830 - Computer Software	8,778.00

1860 - 3D Printer		9,340.69
1870 - Other Equipment		17,546.42
1891 - Television		1,178.66
1892 - Refrigerator		582.13
1893 - Microwave Oven		174.41
Total 1800 - Fixed Assets	**$**	**91,041.79**
1900 - Accum. Depr.		
1910 - Accum Depr-Furniture		-5,946.66
1920 - Accum Depr-Computer Hardware		-10,216.72
1930 - Accum Depr-Computer Software		-3,059.00
1960 - Accum. Depr-3D Printer		-4,826.03
1970 - Accum Depr.-Other Equipment		-8,831.74
1991 - Accum Depr.-Television		-314.30
1992 - Accum Depr.-Refrigerator		-155.24
1993 - Accum Depr.-Microwave Oven		-46.50
Total 1900 - Accum. Depr.	**-$**	**33,396.19**
Total Fixed Assets	**$**	**57,645.60**
TOTAL ASSETS	**$**	**9,61,230.37**
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable		1,32,167.45
Total Accounts Payable	**$**	**1,32,167.45**
Other Current Liabilities		
2010 - Accounts Payable-Trade		0.00
2200 - Accrued Expenses		
2215 - Accrued Vendor Invoices		0.00
2250 - Accrued Income Tax		-7,962.00
2270 - Anuva Earnout Payable		1,50,000.00
Total 2200 - Accrued Expenses	**$**	**1,42,038.00**
2300 - Accrued Payroll		
2310 - Accrued Wages		8,042.12
2320 - Accrued Commissions		250.43
2330 - Accrued Payroll Taxes		755.96
2340 - Withheld 401K		789.42
Total 2300 - Accrued Payroll	**$**	**9,837.93**
2400 - Debtors Advance		2,64,965.75
2500 - Unsecured Loan		7,68,000.00
Total Other Current Liabilities	**$**	**11,84,841.68**
Total Current Liabilities	**$**	**13,17,009.13**
Total Liabilities	**$**	**13,17,009.13**
Equity		
2000 - Share Capital		5,000.00
Retained Earnings		-24,028.40
Net Income		-3,36,750.36
Total Equity	**-$**	**3,55,778.76**
TOTAL LIABILITIES AND EQUITY	**$**	**9,61,230.37**

Technosoft Innovations Inc
Profit and Loss
January - December 2018

	USD Amount
Income	
Billable Expense Income	11,916.86
Consulting Income	13,07,479.50
Manufacturing Income	2,743.00
Markup	55,949.75
Material Income	3,75,581.55
Total Income	**$ 17,53,670.66**
Cost of Goods Sold	
Cost of Goods Sold	
5010 - Labor-Direct	9,05,727.59
5110 - P/R Taxes-FICA	41,290.59
5120 - P/R Taxes-Unemployement	3,168.40
5210 - Insuarance-Health & Life	44,806.62
5220 - Insuarance-LTD & STD	3,036.28
5410 - Visa Expenses	15,341.95
5430-Material Purchase	4,06,336.28
5460 - Travel - Indirect	11,762.52
5630 - Software Maintanance	10,102.10
5720 - Subcontractor Expense	10,025.00
5810 - Technosoft Outsource	14,237.50
Total Cost of Goods Sold	**$ 14,65,834.83**
Total Cost of Goods Sold	**$ 14,65,834.83**
Gross Profit	**$ 2,87,835.83**
Expenses	
Expense	
6000 - Sales Expenses	
6010 - Salaries	39,343.64
6310 - Travel	52,110.29
6320 - Meals & Entertainment	2,303.25
6510 - Letterhead/Business Cards	162.00
6550 -Convention/Trade Shows	5,950.04
6710 - Sales Cloud Software Expense	1,060.00
6801 - Sales & Recruitment Support	29,204.76
Total 6000 - Sales Expenses	**$ 1,30,133.98**
8000 - Admin Exp	
8310 - Travel	3,081.75
8320 - Meals & Entertainent	520.52
8420 - Payroll Processing Charges	2,660.33
8510 - Professional Fees	21,831.68
8520 - State Filing Fees	521.00
8530 - Bank Charges	536.86
8610 - Office Supplies	15,962.36
8630 - Maintenance-Off.Equip-S/W	12,811.56
8640 - Postage	9,150.96
8650 - Postage - Billable	0.00

8660 - IT Infrastructure	6,146.68
8725 - Rent	1,56,747.84
8730 - Office Cleaning/Maintenance	15,482.09
8740 - Gas/Electric	19,448.19
8750 -Telephone-Basic	11,927.21
8760 - Internet Charges	2,079.52
8800 - Bad debts	49,005.39
Depriciation	46,538.27
Total 8000 - Admin Exp	**$ 3,74,452.21**
8900 - Management Expenses	1,20,000.00
Total Expense	**$ 6,24,586.19**
Total Expenses	**$ 6,24,586.19**
Net Operating Income	**-$ 3,36,750.36**
Net Income	**-$ 3,36,750.36**

2045690 Alberta Ltd, Canada

(Step Engineering)

STEP Engineering
Profit and Loss Account Jan18 to Dec18

Amount in CAD	Jan - Dec 18
Ordinary Income/Expense	
Income	
4100 Drafting Revenue	
4110 Electrical Drafting	
4111 Staff - Drafting	79,765.00
4113 Ext Contract -Drafting	32,100.00
Total 4110 Electrical Drafting	1,11,865.00
4120 Mechanical -Drafting	
4121 Staff - Drafting	96,732.50
4122 Int Contract -Drafting	1,33,188.50
4123 Ext Contract -Drafting	77,535.00
Total 4120 Mechanical -Drafting	3,07,456.00
4100 Drafting Revenue - Other	9,810.00
Total 4100 Drafting Revenue	4,29,131.00
4200 Engineering Revenue	
4210 Procurement	12,641.50
4220 Project Administration	56,796.00
4230 Civil Engineering	
4233 Ext Contract - Civil	36,863.50
Total 4230 Civil Engineering	36,863.50
4240 Elect / Instrum Engineerin	
4243 Ext Contract -Elect / Inst	3,50,109.00
Total 4240 Elect / Instrum Engineerin	3,50,109.00
4250 Misc	4,600.00
4260 Process Engineering	
4261 Staff - Process	31,415.00
4263 Ext Contract -Process	15,420.00
Total 4260 Process Engineering	46,835.00
4270 Project/Mechanical Eng	
4271 Staff - Project Eng	7,92,833.00
4272 Int Contract -Proj. Eng.	1,39,975.00
4273 Ext Contract -Proj. Eng.	4,573.50
Total 4270 Project/Mechanical Eng	9,37,381.50
4200 Engineering Revenue - Other	49,542.64
Total 4200 Engineering Revenue	14,94,769.14
4300 Reimbursed Exp - Income	
4310 Project Services	42,289.25
4320 CADD Software	9,162.00
4330 Process Software	887.50
4360 Mileage - Km	3,531.15
Total 4300 Reimbursed Exp - Income	55,869.90
Markup	9,658.66
Reimbursed Expenses - Income	39,170.68
Services	2,55,451.63
Total Income	22,84,051.01
Cost of Goods Sold	
5000 - Project Related Costs	
5010 - Internal Drafting Contra	13,845.00

STEP Engineering
Profit and Loss Account Jan18 to Dec18

5011 - Internal Mech Drafting	8,360.00
5020 - External Civil Drafting	71,715.50
5021 - External Mech Drafting	67,154.00
5022 - External Elect Drafting	2,320.00
5030 - Internal Eng. Contract	18,557.50
5031 - Int Project / Mech Eng	27,673.75
5040 - External - Instrument &	1,35,647.00
5040 - External Eng. Contract	2,17,518.57
5041 - Ext Project / Mech Eng.	8,343.10
5042 - External Civil Eng.	70,596.00
5043 - External Elect/Instrum E	14,240.00
5044 - External Process Eng.	2,740.00
5045 - External Misc Eng.	33,037.50
5046 - External Stress Analysis	1,11,875.00
5052 - Direct Deposit - Payroll	6,36,492.26
5053 - DAS Federal - Payroll	2,85,167.65
5063 - Computer Software Lease	32,264.16
5000 - Project Related Costs - Other	1,800.00
Total 5000 - Project Related Costs	17,59,346.99
5310 - Travel - Job Related	25,006.15
5320 -Meals/Entertainment Expen	54.20
5430-Material Purchase	272.85
5460 - Travel - Indirec	3,640.98
5720 - Subcontractor Expense	54.00
5810 - Technosoft Outsource	3,798.77
Freight and delivery - COS	44.51
Total COGS	17,92,218.45
Gross Profit	4,91,832.56
Expense	
*Reconciliation Discrepancies	0.02
6000 - Sales Expenses	
6020 - Sales Commissions	2,575.70
6050 - Meals & Entertainment	5,668.18
6310 - Travel	22,607.23
6320 - Travel - Meals	1,813.99
6360 - Promo Items	3,090.13
6510 -Letterhead/Business Cards	295.00
6755 - Telephone-Celluler	883.89
6801 - Sales & Recruitment Supp	14,420.00
Total 6000 - Sales Expenses	51,354.12
8000 - Admin Exp	
8008 - Travel	224.61
8012 - Bus License/Permits	6,297.12
8013 - Equipment Rental	122.69
8014 - Printing and Reproductio	2,708.89
8016 - Office Supplies	3,618.23
8017 - Move Expenses	1,408.23
8018 - IT Infrastructure	1,426.53
8019 - Rent	82,030.50
8020 - Employee Benefit Insuara	44,613.71

STEP Engineering
Profit and Loss Account Jan18 to Dec18

8021 - Workers Compensation	1,752.75
8022 - Bank Charges	3,303.25
8023 - Prof. fees/Legal/Acct	7,255.01
8220 - Insurance-LTD & STD	144.00
8320 - Meals & Entertainent	1,631.57
8420 - Payroll Processing Charg	2,016.10
8430 - Seminars / Training	1,529.90
8440 - Employee Specialty Expen	229.95
8450 - Subscriptions	6,896.61
8460 - Office Equipment	1,516.05
8540 - Penalties	311.86
8620 - Leases-Office Equipment	4,680.00
8640 - Postage/Couriers	762.25
8670 - Depreciation	3,136.85
8745 - Moving Exp.	76.19
8750 -Telephone-Basic	4,266.30
8755 - Telephone-Celluler	3,775.43
8760 - Internet Charges	1,277.30
8776 - E & O Insurance	6,671.36
Total 8000 - Admin Exp	1,93,683.24
9010 - Interest Expense	7,188.24
9210 - Federal Income Taxes	36,425.00
9220 - Provincial Income Tax	13,288.56
9220 - State Income Taxes	15,851.44
Bank charges	-0.02
Total Expense	3,17,790.60
Net Ordinary Income	1,74,041.96
Other Income/Expense	
Other Expense	
***Exchange Gain or Loss**	-44.24
Total Other Expense	-44.24
Net Other Income	44.24
Net Income	**1,74,086.20**

STEP Engineering
Balance Sheet as on 31 Dec 2018

Amount in CAD	Dec 31, 18
ASSETS	
Current Assets	
Chequing/Savings	
1000 - Cash	
1001 - CIBC Operating	67,984.90
Total 1000 - Cash	67,984.90
1002 - CIBC US Account	3,112.84
Total Chequing/Savings	71,097.74
Accounts Receivable	
Accounts Receivable	5,41,515.22
Accounts Receivable - USD	2,611.64
Total Accounts Receivable	5,44,126.86
Other Current Assets	
1400 - Other Receivables	
1480 - Receivable -Debtors	1,440.00
Total 1400 - Other Receivables	1,440.00
1500 - Prepaid Exp.	
1510 - Prepaid Insurance	3,335.64
Total 1500 - Prepaid Exp.	3,335.64
Employee Advances	2,000.00
Other current assets	
1610 - Customer MSA Contracts	23,000.00
1620 - Goodwill	9,000.00
1630 - Tax Assets	2,000.00
1640 - Security Deposit	74,134.86
1650 - Shares of Swift Projects	1,000.00
Total Other current assets	1,09,134.86
Total Other Current Assets	1,15,910.50
Total Current Assets	7,31,135.10
Fixed Assets	
1800 - Fixed Assets	
1810 - Furniture and Equipment	16,255.25
1820 - Computer Equipment	4,041.18
Total 1800 - Fixed Assets	20,296.43
1900 Accumulated Depreciation	
1910 - Furniture & Equip.	-2,525.53
1920 - Computer Equip.	-1,111.32
Total 1900 Accumulated Depreciation	-3,636.85
Total Fixed Assets	16,659.58
TOTAL ASSETS	**7,47,794.68**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	2,98,436.95
Accounts Payable - USD	1,798.12
Total Accounts Payable	3,00,235.07
Credit Cards	

STEP Engineering
Balance Sheet as on 31 Dec 2018

American Express Credit	2,832.86
CIBC Aventura Visa Card	3,702.84
Total Credit Cards	6,535.70
Other Current Liabilities	
2230 - Fed Income Tax Pay - Cur	17,199.52
2240 - Prov Income Tax Pay -Cur	13,659.00
2260 - Loan From SH Peter Corp	35,000.00
2270 - Loan From SH Technosoft	1,19,208.22
2300 - Accrued Payroll	
2310 - Accrued Wages	10,904.91
2330 - Accrued Payroll Taxes	4,828.86
Total 2300 - Accrued Payroll	15,733.77
2400 - Debtors Advance	10,000.00
GST/HST Payable	69.47
Total Other Current Liabilities	2,10,869.98
Total Current Liabilities	5,17,640.75
Total Liabilities	5,17,640.75
Equity	
10100 Shares - 1673090 AB Ltd.	333.00
10101 Shares - Technosoft	667.00
Retained Earnings	55,067.73
Net Income	1,74,086.20
Total Equity	2,30,153.93
TOTAL LIABILITIES & EQUITY	**7,47,794.68**

Technosoft Services Inc, USA

Technosoft Services Inc.
Balance Sheet
As of December 31, 2018

Amount in USD	Dec 31, 18
ASSETS	
Current Assets	
Checking/Savings	
1000 Cash	
1050 Checking-Citi Bank General	16,187.91
Total 1000 Cash	16,187.91
Total Checking/Savings	16,187.91
Accounts Receivable	
1210 Accounts Receivable-Trad	3,09,812.10
Total Accounts Receivable	3,09,812.10
Other Current Assets	
1400 Other Receivables	
1410 Employee Advance	4,600.00
Total 1400 Other Receivables	4,600.00
1500 Prepaid Exp	
1520 Prepaid Legal Fees/Visa	0.00
Total 1500 Prepaid Exp	0.00
Total Other Current Assets	4,600.00
Total Current Assets	3,30,600.01
TOTAL ASSETS	**3,30,600.01**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 Accounts Payable-Trade	16,030.60
Total Accounts Payable	16,030.60
Other Current Liabilities	
2200 Accrued Expenses	
2215 Accrued Vendor Invoices	1,920.00
2250 Accrued Income Tax	-11,173.05
Total 2200 Accrued Expenses	-9,253.05
2300 Accrued Payroll	
2310 Accrued Wages	22,694.57
2330 Accrued Payroll Taxes	2,523.70
Total 2300 Accrued Payroll	25,218.27
2370 NY PFL TAX	39.60
2500 Unsecured Loan	0.00
Total Other Current Liabilities	16,004.82
Total Current Liabilities	32,035.42
Total Liabilities	32,035.42
Equity	
2000 Share Capital	10,000.00
Retained Earnings	18,529.65
Net Income	2,70,034.94
Total Equity	2,98,564.59
TOTAL LIABILITIES & EQUITY	**3,30,600.01**

Technosoft Services Inc.
Profit & Loss
January through December 2018

Amount in USD	Jan - Dec 18
Ordinary Income/Expense	
Income	
4710 Reimb Revenue	1,24,780.91
4320 Contract Revenue	2,80,298.00
4310 On-Site Revenue	3,51,352.18
4315 Technosoft Onsite Revenue	11,88,048.90
Total Income	19,44,479.99
Cost of Goods Sold	
5240 Dental/Eye Expense	0.00
5685 AM Incentive	93.42
5220 Insurance-LTD & STD	2,472.68
5120 P/R Taxes-Unemployment	10,491.01
5410 Visa Expenses	23,030.56
5460 Travel - Indirect	28,930.12
5110 P/R Taxes-FICA	78,919.36
5210 Insurance-Health & Life	93,586.75
5010 Labor-Direct	12,99,746.32
Total COGS	15,37,270.22
Gross Profit	4,07,209.77
Expense	
8000 Admin Exp	
8440 Employee Specialty Expe	0.00
8510 Professional Fees	675.00
8520 State Filing fees	925.00
8530 Bank Charges	1,283.66
8420 Payroll Processing Charg	4,036.17
Total 8000 Admin Exp	6,919.83
6000 Sales Expenses	
6710 Sales Cloud Software Exp	192.00
6801 Sales and Recruitment Su	10,063.00
Total 6000 Sales Expenses	10,255.00
8900 Management Expenses	1,20,000.00
Total Expense	1,37,174.83
Net Ordinary Income	2,70,034.94
Net Income	**2,70,034.94**

Swift Projects Inc, USA.

Swift Projects Inc.
Balance Sheet as on Mar 2019

Amount in USD	Mar 31, 19
ASSETS	
Current Assets	
Checking/Savings	
Checking PNC Bank	38,475.13
Total Checking/Savings	38,475.13
Total Current Assets	38,475.13
TOTAL ASSETS	**38,475.13**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
401(k) ER Contributions Payable	22,000.00
Professional Fee Payable	550.00
Total Accounts Payable	22,550.00
Other Current Liabilities	
Loan from Technosoft Eng. Inc.	20,000.00
Payroll Liability	
401(k) EE withholding- Pre-tax	1,500.00
401(k) EE withholding-Catch up	500.00
401K ER Contrib. Payable - Lib	1,575.00
Total Payroll Liability	3,575.00
Total Other Current Liabilities	23,575.00
Total Current Liabilities	46,125.00
Total Liabilities	46,125.00
Equity	
Capital Stock	1,000.00
Retained Earnings	-12,957.60
Net Income	4,307.72
Total Equity	-7,649.88
TOTAL LIABILITIES & EQUITY	**38,475.12**

Swift Projects Inc.
Profit and Loss - Apr18 to Mar19

	USD
Ordinary Income/Expense	
Income	
Sales Income	
Management Services	3,62,000.00
Travel Reimbursement	33,407.35
Total Sales Income	3,95,407.35
Technosoft MI ADP Fee	174.00
Technosoft MI Management Fee	2,424.75
Technosoft MI Staffing	11,785.54
Technosoft TX ADP Fee	29.00
Technosoft TX Management Fee	220.21
Technosoft TX Staffing	1,076.50
Total Income	4,11,117.35
Gross Profit	4,11,117.35
Expense	
401(k) set up and admin costs	1,775.00
Bank Service Charges	
Overdraft Protection	30.00
Bank Service Charges - Other	323.62
Total Bank Service Charges	353.62
Meals and Entertainment	3,290.89
Payroll Expenses	
401K ER Discretionary Contribut	2,610.82
401K Safe Harbor Non-Elect	11,369.18
FL ADP fee	2,296.04
Payroll Expenses - Wages	3,12,389.18
Payroll Tax - Employer FUTA	42.00
Payroll Tax - Employer Medicare	5,341.69
Payroll Tax - Employer SS	10,363.30
Payroll Tax - Employer SUTA	189.00
Technosoft MI Staffing ADP Fee	334.41
Technosoft MI Staffing Taxes	616.14
Technosoft MI Staffing Wages	10,948.00
Technosoft TX Staffing ADP Fee	0.00
Technosoft TX Staffing Taxes	76.50
Technosoft TX Staffing Wages	1,000.00
Payroll Expenses - Other	-3.60
Total Payroll Expenses	3,57,572.66
Professional Fees	
Accounting Fees	1,900.00
Legal Fees	825.76
Total Professional Fees	2,725.76
Rent Expense	10,200.00
Taxes	
State Corporation Tax	778.00
Taxes - Other	698.00
Total Taxes	1,476.00
Travel Expense	29,415.70

Swift Projects Inc.
Profit and Loss - Apr18 to Mar19

Total Expense	4,06,809.63
Net Ordinary Income	4,307.72
Net Income	**4,307.72**