

### INDEPENDENT AUDITOR'S REPORT

#### TO THE MEMBERS OF COMPTech SOLUTIONS PRIVATE LIMITED.

##### Report on the Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying Ind AS financial statements of Comptech Solutions Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of profit and loss (including Other comprehensive income), the Statement of cash flow, the Statement of changes in equity for the year then ended, and a summary of the Significant accounting policies and Other explanatory information (herein after referred to as "Ind AS financial statements").

##### Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance (including other comprehensive income), cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified in the Companies (Indian Accounting Standards) Rules 2015 (as amended) under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

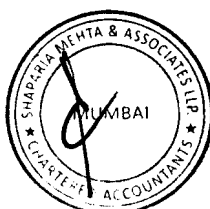
##### Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our auditing accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the



appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

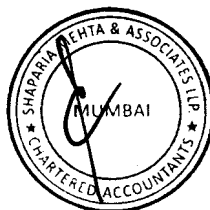
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

**Opinion**

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
  - e) on the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - 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 has disclosed the impact of pending litigation on its financial position in its financial statements;



- ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, as required under applicable law or accounting standard;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

**For Shaparia Mehta & Associates LLP**  
**Chartered Accountants**  
**(Firm's Registration No.- 112350W / W-100051)**



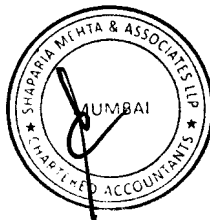
**Sandeep Kumar Chhajjer**  
**Partner**  
**Membership No.- 160212**  
**Place of Signature: Mumbai**  
**Date: 17 May 2018**



**Annexure A to the Independent Auditor's Report**


The Annexure referred to in our Independent Auditor's Report to the members of Comptech Solutions Private Limited (the "Company") on the financial statements for the year ended March 31, 2018, we report that:

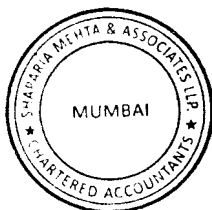
- i. In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The Company has regular programme of physical verification of fixed assets by which fixed assets are verified in as phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company does not have any immovable property which is classified under Fixed Assets, accordingly, paragraph 3(i)(c) is not applicable.
- ii. The company is a service company and does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the company.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not granted loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (b) and iii (c) of the order are not applicable to the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not given loans, guarantees, and security, or invested in other companies covered under section 185 and 186. Consequently, provision of this clause of the order is not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public so as to require any compliance of the directives of Reserve Bank of India or the provisions of section 73 or 76 of the Companies Act, 2013. As explained to us, the Company has not received any order passed by the Company Law Board or the National Company Law Tribunal or any court or other forum.
- vi. According to the information and explanation given to us, maintenance of cost records is not applicable to the Company.
- vii. In respect of its statutory dues:
  - a. In our opinion and according to the information and explanations given to us, the Company is normally regular in depositing undisputed statutory dues including income-tax, TDS, service tax, GST and any other applicable statutory dues to the appropriate authorities. There are no outstanding statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.



- b. According to the information and explanations given to us, there are no disputed dues of income tax, service tax or GST which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has neither borrowed any loans or borrowing during the current financial year nor have any outstanding loans or borrowings outstanding at year end from any financial institutions, banks, government or debenture holders. Thus, paragraph 3(viii) of the Order is not applicable to the company.
- ix. The Company has not raised any money by way of initial public offer or term loans accordingly, paragraph 3(ix) of the order is not applicable to the Company.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit
- xi. In our opinion and according to the information and explanations given to us, the company has not paid or provided any managerial remuneration. Hence, reporting requirements under this clause are not applicable.
- xii. The Company is not a Nidhi Company as defined under section 406 of the Companies Act, 2013. Accordingly, reporting under this clause of the order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties during the current audit period are in compliance with section 177 and 188 of Companies Act, 2013. The Company has complied with the requirement disclosing the details in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Hence, reporting requirements under this clause (xiv) are not applicable.
- xv. On the basis of information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the order is not applicable.
- xvi. 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.

**For Shaparia Mehta & Associates LLP**  
**Chartered Accountants**  
**(Firm's Registration No.- 112350W / W-100051)**

  
**Sandeep Kumar Chhajjer**  
**Partner**  
**Membership No.- 160212**  
**Place of Signature: Mumbai**  
**Date: 17 May 2018**



**Annexure - B to the Independent Auditor's Report**

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

1. We have audited the internal financial controls over financial reporting of Comptech Solutions Private Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind As financial statements of the Company for the year ended and as at on that date.

**Management's Responsibility for Internal Financial Controls**

2. 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.

**Auditor's Responsibility**

3. 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.
4. 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 Ind AS 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**

5. 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**

6. 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**

7. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Shaparia Mehta & Associates LLP**

**Chartered Accountants**

**(Firm's Registration No.- 112350W / W-100051)**

**Sandeep Kumar Chhajer**  
**Partner**

**Membership No.- 160212**

**Place of Signature: Mumbai**

**Date: 17 May 2018**



**Comptech Solutions Private Limited**  
**Balance sheet as at 31 March 2018**

	Notes	31 March 2018	31 March 2017
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment (net)	2	1,965,324	2,104,720
Investment property (net)	3	63,827,615	64,848,589
Financial assets			
Other financial assets	4.1	200,000	200,000
Non-current tax assets (net)	14(a)	1,101,773	302,901
Other Non-current assets	5	151,902	-
<b>Total - Non-current assets</b>		<b>67,246,614</b>	<b>67,456,210</b>
<b>Current assets</b>			
Financial assets			
Short term advances	6.1	-	3,968
Trade receivables	6.2	1,213,563	608,620
Cash and cash equivalents	6.3	681,179	1,630,806
Other bank balances	6.3	12,800,000	5,700,000
Other financial assets	4.1	1,828,406	1,291,389
Other current assets	5	80,316	49,961
<b>Total - Current assets</b>		<b>16,603,464</b>	<b>9,284,744</b>
<b>Total Assets</b>		<b>83,850,078</b>	<b>76,740,954</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	7	14,500,000	14,500,000
Other equity	8	66,592,279	60,473,426
<b>Equity attributable to equity holders of the parent</b>		<b>81,092,279</b>	<b>74,973,426</b>
Non-controlling interests		-	-
<b>Total Equity</b>		<b>81,092,279</b>	<b>74,973,426</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	9	68,543	61,255
Other financial liabilities	10	759,870	772,612
Deferred tax liability (net)	14(b)	418,813	374,533
Other Non-current liabilities	13	201,171	222,891
<b>Total - Non-current liabilities</b>		<b>1,448,397</b>	<b>1,431,291</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	11	723,289	14,007
Other payables	12	198,828	155,473
Other current liabilities	13	387,285	166,757
<b>Total - Current liabilities</b>		<b>1,309,402</b>	<b>336,237</b>
<b>Total equity and liabilities</b>		<b>83,850,078</b>	<b>76,740,954</b>
<b>Significant accounting policies</b>	1		
<b>Notes to the financial statements</b>	2-25		

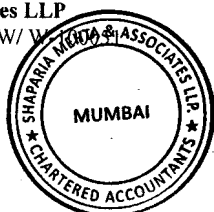
The notes referred to above are an integral part of these financial statements

As per our report of even date attached

For Shaparia Mehta & Associates LLP  
ICAI firm registration No. 112350W/ W  
Chartered Accountants

Sandeep Kumar Chhajer  
Partner  
Membership No. 160212

Date: 17 May 2018



For and on behalf of Board of directors of  
Comptech Solutions Private Limited  
CIN No. U72300DL1996PTC078496

Adarsh Hegde  
Director  
DIN No. 00035040

Date: 17 May 2018

Jatin Chokshi  
Director  
DIN No. 00495015



**Comptech Solutions Pvt.Ltd.**  
**Statement of Profit and Loss for the year ended 31 March 2018**

	Notes	31 March 2018	31 March 2017
<b>Continuing Operations</b>			
<b>Income</b>			
Other income	15	12,683,120	9,899,002
Finance income	16	569,780	217,458
<b>Total income</b>		<b>13,252,900</b>	<b>10,116,460</b>
<b>Expenses</b>			
Depreciation and amortisation expenses	17	1,356,706	2,046,854
Finance costs	18	82,293	1,733
Other expenses	19	4,088,571	2,708,011
<b>Total expenses</b>		<b>5,527,570</b>	<b>4,756,598</b>
<b>Profit before share of profit of associates and joint ventures and tax from</b>		<b>7,725,330</b>	<b>5,359,862</b>
Share of profits of associates and joint ventures		-	-
<b>Profit before tax</b>		<b>7,725,330</b>	<b>5,359,862</b>
<b>Tax expense:</b>			
Current tax	14	1,967,542	2,617,061
Adjustment of tax relating to earlier periods		(405,345)	(16,082)
Deferred tax charge/(credit)		44,280	(593,509)
<b>Total tax expense</b>		<b>1,606,477</b>	<b>2,007,470</b>
<b>Profit for the year from Continuing Operation (i)</b>		<b>6,118,853</b>	<b>3,352,392</b>
<b>Profit for the year (A)</b>		<b>6,118,853</b>	<b>3,352,392</b>
<b>Total Comprehensive income for the year, net of tax (A) + (B)</b>		<b>6,118,853</b>	<b>3,352,392</b>
<b>Earnings per equity share (nominal value of Rs 10 each)</b>			
Basic and diluted	20	4.22	2.31
<b>Significant accounting policies</b>			
Notes to the financial statements	1 2-25		

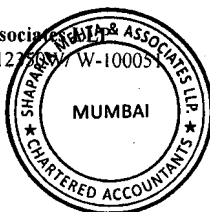
The notes referred to above are an integral part of these financial statements

As per our report of even date attached

For Shaparia Mehta & Associates  
 ICAI firm registration No. 112780/W-10005  
 Chartered Accountants

*Sandeep Kumar Chhajer*  
 Sandeep Kumar Chhajer  
 Partner  
 Membership No. 160212

Date: 17 May 2018



For and on behalf of Board of directors of  
 Comptech Solutions Private Limited  
 CIN No. U72300DL1996PTC078496

*Adarsh Hegde*  
 Adarsh Hegde  
 Director  
 DIN No. 00035040

Date: 17 May 2018


*Jatin Chokshi*  
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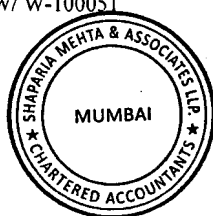
**Comptech Solutions Pvt. Ltd.**  
**Statement of Cash Flows for the period ended 31 March 2018**

	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>Operating activities</b>		
Profit before tax from continuing operations	7,725,330	5,359,862
<b>Profit before tax</b>	<b>7,725,330</b>	<b>5,359,862</b>
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation of property, plant and equipment	1,356,706	2,046,854
Provision for Doubtful Receivables (Net)	-	414,896
Sundry balances written back	-	(90)
Finance costs	82,293	1,733
Interest Income	(569,780)	(217,458)
Rental Income	(12,683,120)	(9,898,912)
Expenses related to investment property	3,766,631	1,595,308
<b>Working capital adjustments:</b>		
Decrease / (increase) in long term and short term loans and advances	-	5,000
Decrease / (increase) in other current and non current assets	(182,257)	66,470
(Decrease)/ Increase in trade payables, other current and non current liabilities	624,006	(356,081)
(Decrease)/ Increase in provisions	43,355	110,473
<b>Cash generated from operating activities</b>	<b>163,164</b>	<b>(871,945)</b>
<b>Net cash flows from operating activities (A)</b>	<b>163,164</b>	<b>(871,945)</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment (including CWIP)	-	(18,122)
Purchase of FD not considered as cash and cash equivalent	(12,800,000)	(5,700,000)
Fixed deposits matured	5,700,000	-
Rental and business support charges received	11,670,000	12,835,680
Expenses related to investment property	(3,762,663)	(1,418,499)
Interest income received	440,940	21,746
Income tax paid (including TDS) (net)	(2,361,068)	(2,997,959)
<b>Net cash flows from / (used in) investing activities (B)</b>	<b>(1,112,791)</b>	<b>2,722,846</b>
<b>Financing activities</b>		
Repayment of short term borrowings	-	(3,257,675)
Finance costs	-	(917,555)
<b>Net cash flows from / (used in) financing activities (C)</b>	<b>-</b>	<b>(4,175,230)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(949,627)</b>	<b>(2,324,329)</b>
Opening balance of cash and cash equivalents (refer note 6.3)	1,630,806	3,955,135
<b>Cash and cash equivalents at the end</b>	<b>681,179</b>	<b>1,630,806</b>

As per our report of even date attached

For Shaparia Mehta & Associates LLP  
ICAI firm registration No.112350W/ W-100051  
Chartered Accountants


  
**Sandeep Kumar Chhajer**  
Partner  
Membership No.160212



Date: 17 May 2018

For and on behalf of Board of directors of  
**Comptech Solutions Private Limited**  
CIN No: U72300DL1996PTC078496

  
**Adarsh Hegde**  
Director  
DIN No. 00035040

  
**Jatin Chokshi**  
Director  
DIN No. 00495015

Date: 17 May 2018

(A) Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid	No.	Amount
At 1 April 2016	1,450,000	14,500,000
Issue of share capital	-	-
At 31 March 2017	1,450,000	14,500,000
Issue of share capital	-	-
At 31 March 2018	1,450,000	14,500,000

(B) Other Equity:

For the year ended 31 March 2018

Particulars	Reserves & Surplus				Total equity
	Capital Reserve	Capital Redemption Reserve	Securities premium account	General reserve	Balance in Statement of Profit and Loss
As at 31st March 2017	-	-	45,513,780	-	14,856,877
Net Profit for the period	-	-	-	-	6,118,853
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	45,513,780	-	20,975,730
As at 31 March 2018	-	-	45,513,780	-	20,975,730

For the year ended 31 March 2017

Particulars	Reserves & Surplus				Total equity
	Capital Reserve	Capital Redemption Reserve	Securities premium account	General reserve	Balance in Statement of Profit and Loss
As at 1st April 2016	-	-	45,513,780	-	11,504,485
Net Profit for the period	-	-	-	-	3,352,392
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	45,513,780	-	14,856,877
As at 31 March 2017	-	-	45,513,780	-	14,856,877

As per our report of even date attached

For Shaparia Mehta & Associates LLP  
ICAI firm registration No.112350W/ W-100051  
Chartered Accountants



Sandeep Kumar Chhajjar  
Partner  
Membership No.160212

Date: 17 May 2018

For and on behalf of Board of directors of  
Comptech Solutions Private Limited  
CIN No.U13300DL1996PTC078496

Adarsh Hegde  
Director  
DIN No. 00035040

Jatin Chotshi  
Director  
DIN No. 00495015

Date: 17 May 2018

# Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2018

## 1. Significant accounting policies

### 1.1 (a) Statement of compliance

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules 2015 read with Section 133 of the Companies Act, 2013.

### (b) Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) which have been measured at fair value or revalued amount. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### 1.2 Summary of significant accounting policies

#### a. Use of estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



# Comptech Solutions Private Limited

## Notes to the financial statements for the year ended 31 March 2018

### c. Foreign currencies:

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

#### Transaction and balances

Transactions in foreign currencies are initially recorded at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

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.

### d. Fair value measurement

In determining the fair value of its financial instruments, the company uses assumptions that are based on market conditions and risks existing at each reporting date. The method used to determine the fair value includes Discounted Cash Flow analysis, available quoted market price and dealer quotes. All methods of assessing fair value result in general approximation of fair value and such value may never be actually realized. For all other financial instruments, the carrying amount approximates Fair Value due to the short maturity of those instruments.

### e. Revenue recognition

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Reimbursement of cost is netted off with the relevant expenses incurred in Pre-GST regime and post GST same has been recognized as part of revenue under the head business support charges.

Interest income is recognised on time proportion basis.

Dividend income is recognised when the right to receive the payment is established by the balance sheet date.

### f. Leases

#### Company as a lessor

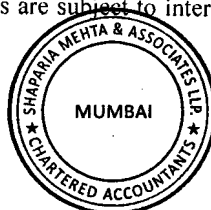
Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### g. Taxes

#### Current Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



# Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2018

## Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

## Minimum Alternate Tax (MAT)

MAT paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the *Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961*, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

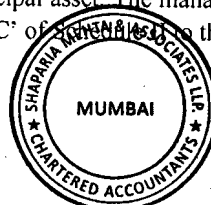
## h. Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition of tangible assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

The Company identifies and determines cost of each component / part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

## Depreciation

The Company provides depreciation on property, plant and equipment using the Straight Line Method, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The management has estimated the useful lives of all its tangible assets as per the useful life specified in Part 'C' of Schedule II to the Act.



# Comptech Solutions Private Limited

## Notes to the financial statements for the year ended 31 March 2018

*The Company has used the following rates to provide depreciation on the tangible assets:*

Category	Useful lives (in years)
Plant and machinery	15
Furniture and fixtures	10
Computers	3 to 6
Office equipments	5

Tangible assets held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

### i. Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 60 years from the date of original purchase.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

### j. Borrowing costs

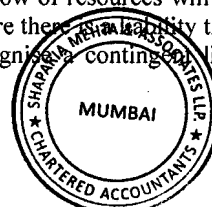
Borrowing costs includes interest, amortisation of ancillary cost over the period of loans which are incurred in connection with arrangements of borrowings.

Borrowing costs that are attributable to the acquisition, construction of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

### k. Provisions and Contingent Liability

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its 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.

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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.



# Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2018

## I. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial assets

#### Initial recognition and measurement

All financial assets are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial asset, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

##### a. Debt instruments at amortised cost

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

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

This category is the most relevant to the Company. 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 on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

##### b. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company 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 the financial assets and the transfer qualifies for derecognition under Ind AS 109.





# Comptech Solutions Private Limited

## Notes to the financial statements for the year ended 31 March 2018

### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables.

The Company follows 'simplified approach for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive.

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. In balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

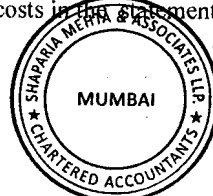
#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 and loss. This category generally applies to borrowings.



# Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2018

## Derecognition

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 derecognition 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 or loss.

## m. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## n. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated in the Cash flow statement.

## o. Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.



**Comptech Solutions Pvt.Ltd.**  
**Notes to the financial statements as at and for the year ended 31 March 2018**

**2 Property, Plant and Equipment**

<b>Description</b>	<b>Plant and machinery</b>	<b>Office Equipment</b>	<b>Furniture &amp; fixtures</b>	<b>Total</b>
<b>Cost or Valuation</b>				
<b>Balance as at 01 April 2016</b>	351,250	1,134,790	1,154,415	2,640,455
Additions	1,500	584,300	620,500	1,206,300
Disposals	-	-	-	-
<b>Balance as at 31 March 2017</b>	352,750	1,719,090	1,774,915	3,846,755
Additions	165,790	-	30,546	196,336
Disposals	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>518,540</b>	<b>1,719,090</b>	<b>1,805,461</b>	<b>4,043,091</b>
<b>Depreciation and impairment</b>				
<b>Balance as at 01 April 2016</b>	29,855	596,054	90,246	716,155
Depreciation for the year	31,274	639,204	355,402	1,025,880
Disposals	-	-	-	-
<b>Balance as at 31 March 2017</b>	61,129	1,235,258	445,648	1,742,035
Depreciation for the year	34,146	142,211	159,375	335,732
Disposals	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>95,275</b>	<b>1,377,469</b>	<b>605,023</b>	<b>2,077,767</b>
<b>Net Block</b>				
<b>As at 31 March 2017</b>	291,621	483,832	1,329,267	2,104,720
<b>As at 31 March 2018</b>	<b>423,265</b>	<b>341,621</b>	<b>1,200,438</b>	<b>1,965,324</b>

**Comptech Solutions Pvt.Ltd.**  
**Notes to the financial statements as at and for the year ended 31 March 2018**

**3 Investment Property**

	Freehold	Building	Total
Opening balance at 01 April 2016	8,904,800	57,988,252	66,893,052
Additions (Subsequent expenditure)	-	-	-
<b>Closing balance at 31 March 2017</b>	<b>8,904,800</b>	<b>57,988,252</b>	<b>66,893,052</b>
Additions (Subsequent expenditure)	-	-	-
<b>Closing balance at 31 March 2018</b>	<b>8,904,800</b>	<b>57,988,252</b>	<b>66,893,052</b>
<b>Depreciation and impairment</b>			
Opening balance at 01 April 2016	-	1,023,489	1,023,489
Depreciation	-	1,020,974	1,020,974
<b>Closing balance at 31 March 2017</b>	<b>-</b>	<b>2,044,463</b>	<b>2,044,463</b>
Depreciation	-	1,020,974	1,020,974
<b>Closing balance at 31 March 2018</b>	<b>-</b>	<b>3,065,437</b>	<b>3,065,437</b>
<b>Net Block</b>			
At 31 March 2017	8,904,800	55,943,789	64,848,589
At 31 March 2018	8,904,800	54,922,815	63,827,615

**Information regarding income and expenditure of investment property**

	31-Mar-18	31 March 2017
Rental income derived from investment properties	11,051,009	9,898,912
Direct operating expenses (including repairs and maintenance) generating rental income	3,766,631	1,595,308
Direct operating expenses (including repairs and maintenance) that did not generate rental	-	-
Profit arising from investment properties before depreciation and indirect expenses	7,284,378	8,303,604
Less: Depreciation	1,020,974	1,020,974
Profit arising from investment properties before indirect expenses	6,263,404	7,282,630

The Company's investment properties consists of 1 freehold property and building in India. The management has determined that the investment properties consist of only classes of asset i.e. commercial office based on the nature, characteristics and risks of each property.

As at 31 March 2018 and 31 March 2017, the fair values of the properties are Rs.189,000,000 and Rs.189,000,000 respectively. These valuations are based on valuations performed by Mulyankan Consultants Ltd., an accredited independent valuer. Mulyankan Consultants Ltd. is a specialist in valuing these types of investment properties. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.



4 Financial Assets

4.1 Other Financial assets

	Non-current portion		Current portion	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<b>To parties other than related parties</b>				
Security deposits				
Unsecured, considered good	200,000	200,000	-	-
Doubtful	-	-	-	-
	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>-</u>
Less: Provision for doubtful deposits	-	-	-	-
	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>-</u>
 Unsecured, considered good				
Interest accrued on fixed deposits	-	-	324,552	195,712
Unbilled revenue	-	-	1,503,854	1,095,677
	<u>-</u>	<u>-</u>	<u>1,828,406</u>	<u>1,291,389</u>
	<u>200,000</u>	<u>200,000</u>	<u>1,828,406</u>	<u>1,291,389</u>
 <b>To related parties</b>				
Unsecured, considered good	-	-	-	-
Security deposits	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Other financial assets</b>	<u>200,000</u>	<u>200,000</u>	<u>1,828,406</u>	<u>1,291,389</u>

5 Other assets

*Unsecured considered good, unless stated otherwise*

	Non-current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Prepaid expenses	151,902	-	42,070	24,384
Advances for supply of services	-	-	38,246	17,041
CENVAT receivables	-	-	-	8,536
	<u>151,902</u>	<u>-</u>	<u>80,316</u>	<u>49,961</u>

6.1 Short term advances

	31 March 2018	31 March 2017
<b>To parties other than related parties</b>		
Other advances	-	3,968
<b>Total advances</b>	<u>-</u>	<u>3,968</u>

6.2 Trade receivables

	31 March 2018	31 March 2017
Trade receivables	1,213,563	-
Receivables from parent/subsidiaries/fellow subsidiaries	-	595,671
Receivables from associates and joint ventures	-	12,949
Receivables from other related parties	-	-
<b>Total trade receivables</b>	<u>1,213,563</u>	<u>608,620</u>
 <b>Break-up for security details and more than 6 months overdue:</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
Doubtful	414,896	414,896
	<u>414,896</u>	<u>414,896</u>
Allowance for doubtful debts	(414,896)	(414,896)
	<u>-</u>	<u>-</u>
 <b>Other receivables</b>		
Unsecured, considered good	1,213,563	608,620
	<u>1,213,563</u>	<u>608,620</u>
<b>Total Trade receivables</b>	<u>1,213,563</u>	<u>608,620</u>

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



6.3 Cash and cash equivalents

	31 March 2018	31 March 2017
<b>Cash and cash equivalents</b>		
<b>Balances with banks</b>		
- On current accounts	626,893	1,576,520
Cash on hand	54,286	54,286
	<u>681,179</u>	<u>1,630,806</u>
<b>Other bank balances</b>		
- Deposit with original maturity of more than 3 months but less than 12 months	12,800,000	5,700,000
	<u>12,800,000</u>	<u>5,700,000</u>
Amount disclosed under non-current assets	-	-
	<u>13,481,179</u>	<u>7,330,806</u>

Deposit with banks earns interest at floating rates based on bank deposit rates. Short-term deposits are made for varying periods of between 3 to 12 months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

**For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:**

	31 March 2018	31 March 2017
<b>Balances with banks:</b>		
- On current accounts	626,893	1,576,520
Cash on hand	54,286	54,286
	<u>681,179</u>	<u>1,630,806</u>
Less - Bank overdraft	-	-
	<u>681,179</u>	<u>1,630,806</u>

7 Share capital

**Authorised capital:**

	Equity shares		10% preference shares	
	No	Amount	No	Amount
At 01 April 2016	1,450,000	14,500,000	16,000	160,000
Increase / (decrease) during the year	-	-	-	-
At 31 March 2017	1,450,000	14,500,000	16,000	160,000
Increase / (decrease) during the year	-	-	-	-
At 31 March 2018	<u>1,450,000</u>	<u>14,500,000</u>	<u>16,000</u>	<u>160,000</u>

**Terms/ rights attached to equity shares**

The Company has two class of equity shares as 'A' class and 'B' class. 'A' class shares means equity shares of Rs. 10 each having all rights as to the Dividend and voting. 'B' Class shares means equity shares of Rs. 10 each having no rights to the dividend and voting. 'A' Class equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of 'A' class equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights of 'A' class cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of both 'A' class and 'B' class equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**Issued equity capital:**

**Issued, subscribed and fully paid-up:**

At 1 April 2016  
Changes during the period  
At 31 March 2017  
Changes during the period  
At 31 March 2018



Issued equity share capital	
No	Amount
1,450,000	14,500,000
-	-
1,450,000	14,500,000
-	-
<u>1,450,000</u>	<u>14,500,000</u>

(i) Details of shareholders holding more than 5% shares of the company

Name of shareholders	As at 31 March 2018		As at 31 March 2017	
	No	% holding in the class	No	% holding in the class
<b>Equity shares of Rs. 10 each fully paid</b>				
<b>Equity Share Classified As "A" Class</b>				
Contech Logistics Solutions Private Limited	700,000	48.28%	700,000	48.28%
<b>Equity Share Classified As "B" Class</b>				
Avinash Sethia jointly with Contech Logistics Solutions Private Limited	375,000	25.86%	375,000	25.86%
Pradeep Sharma jointly with Contech Logistics Solutions Private Limited	225,000	15.52%	225,000	15.52%
Indu Sethia jointly with Contech Logistics Solutions Private Limited	150,000	10.34%	150,000	10.34%
	<u>1,450,000</u>	<u>100.00%</u>	<u>1,450,000</u>	<u>100.00%</u>

(ii) Reconciliation of number of the equity shares outstanding at the beginning and at the end of the year:

	As at 31 March 2018		As at 31 March 2017	
	No	Amount	No	Amount
Equity Shares				
At the beginning of the year	1,450,000	14,500,000	1,450,000	14,500,000
Issued during the period - Bonus shares				
Outstanding at the end of the year	<u>1,450,000</u>	<u>14,500,000</u>	<u>1,450,000</u>	<u>14,500,000</u>

(iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

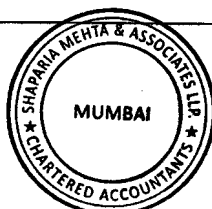
Particulars	Equity shares with voting rights	Equity shares with differential voting rights	Compulsorily convertible preference shares	Optionally convertible preference shares
	Number of shares			
As at 31 March, 2018				
Contech Logistics Solutions Pvt. Ltd. the holding company	700,000			
Allcargo Logistics Ltd, the Ultimate Holding Company	Nil			

8 Other equity

<b>Share premium</b>	<b>Amount in Rs</b>
At 01 April 2016	45,513,780
Addition during the year	-
At 31 March 2017	45,513,780
Addition during the year	-
At 31 March 2018	<u>45,513,780</u>
<b>Surplus in Statement of profit &amp; loss account</b>	<b>Amount in Rs</b>
At 1 April 2016	11,504,485
Add: Profit during the year	3,352,392
At 31 March 2017	14,856,877
Add: Profit during the year	6,118,853
Net Surplus in the statement of profit & loss account	<u>20,975,730</u>
Total reserves and surplus	<u>66,489,510</u>
<b>Equity component of Non-convertible preference shares/corporate guarantee</b>	<b>Amount in Rs</b>
At 1 April 2016	102,769
Changes during the period	-
At 31 March 2017	102,769
Changes during the period	-
At 31 March 2018	<u>102,769</u>
Total Other equity	<u>66,592,279</u>

9 Borrowings

	Effective interest rate %	Maturity	31 March 2018	31 March 2017
<b>Non-current borrowings</b>				
<b>Borrowings (unsecured)</b>				
Liability component of compound financial instruments				
Non-convertible preference shares	11.90%	29 May 2025	68,543	61,255
Total non-current borrowings			<u>68,543</u>	<u>61,255</u>
Aggregate secured loans			-	-
Aggregate unsecured loans			68,543	61,255



10 Other financial liabilities

	Non-current portion		Current portion	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Other financial liabilities at amortised cost				
Security deposits received	759,870	772,612	-	-
Total other financial liabilities at amortised cost	759,870	772,612	-	-
Total other financial liabilities	759,870	772,612	-	-

11 Trade payables

	31 March 2018	31 March 2017
Trade payables	723,289	14,007
Trade payables to related parties	-	-
	723,289	14,007

12 Other payables

	31 March 2018	31 March 2017
Provision for expenses	198,828	155,473
	198,828	155,473

13 Other liabilities

	Non-current portion		Current portion	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Capital creditors	-	-	196,336	-
Statutory dues payable	-	-	106,093	15,782
Others	201,171	222,891	84,856	150,975
	201,171	222,891	387,285	166,757





**Comptech Solutions Pvt.Ltd.**  
**Notes to the financial statements as at and for the year ended 31 March 2018**

**14 Income tax**

**14(a). Non-current tax Assets (net)**

Particulars	31 March 2018	31 March 2017
Advance tax recoverable (net of provision for taxes)	1,101,773	302,901
	<u>1,101,773</u>	<u>302,901</u>

**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2017:**

	31 March 2018	31 March 2017
Accounting profit before tax from continuing operations	7,725,330	5,359,862
Profit/(loss) before tax from a discontinued operation	-	-
<b>Accounting profit before income tax</b>	<b>7,725,330</b>	<b>5,359,862</b>
At India's statutory income tax rate of 25.75% (31 March 2017: 30.90%)	1,989,272	1,656,197
<b>Computed tax expenses</b>		
Expenses not allowed for tax purpose	902,882	1,460,143
Expense allowance for tax purpose	(814,214)	(1,092,788)
Adjustments relating to taxes reversal of earlier years	(405,345)	(16,082)
Other Impact	(66,118)	-
<b>At the effective income tax rate of 20.79% (31 March 2017: 37.45%)</b>	<b>1,606,477</b>	<b>2,007,470</b>
Income tax expense reported in the statement of profit and loss	<u>1,606,477</u>	<u>2,007,470</u>

**14(b). Deferred tax:**

Deferred tax relates to the following:

	<b>Balance Sheet</b>		<b>Profit and Loss</b>	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Unbilled Revenue	387,242	338,564	48,678	(579,908)
Fair valuation of securities deposit	10,024	7,861	2,163	(11,587)
Compounded financial instruments	21,547	28,108	(6,561)	(2,014)
<b>Deferred tax expense/(income)</b>			<b>44,280</b>	<b>(593,509)</b>
<b>Deferred tax assets/(liabilities)</b>	<b>(418,813)</b>	<b>(374,533)</b>		
<b>Net deferred tax assets/(liabilities)</b>	<b>(418,813)</b>	<b>(374,533)</b>	<b>-</b>	<b>-</b>

Reflected in the balance sheet as follows:

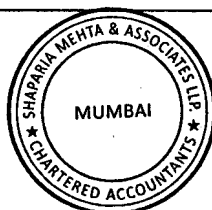
	31 March 2018	31 March 2017
Deferred tax assets (continuing operations)		-
Deferred tax liabilities:		
Continuing operations	(418,813)	(374,533)
<b>Deferred tax assets/(liabilities), net</b>	<b>(418,813)</b>	<b>(374,533)</b>

**Reconciliation of deferred tax asset/(liabilities) (net):**

	31 March 2018	31 March 2017
Opening balance as of 1 April	(374,533)	(968,042)
Tax expense/(income) during the period recognised in profit or loss	44,280	(593,509)
<b>Closing balance as at 31 March</b>	<b>(418,813)</b>	<b>(374,533)</b>

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.

The Company has tax losses which arose in India of Rs.700,524 (31 March 2017: Rs.1,194,548) that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose. Majority of these losses will expire within a period of 3 years. No deferred tax asset has been created on the same.



**Comptech Solutions Pvt.Ltd.**  
**Notes to the financial statements as at and for the year ended 31 March 2018**

**15 Other income**

	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>Other non-operating income</b>		
Rental income	11,051,009	9,898,912
Sundry balances written back	-	90
Others	1,632,111	-
	<u><b>12,683,120</b></u>	<u><b>9,899,002</b></u>

**16 Finance income**

	<b>31 March 2018</b>	<b>31 March 2017</b>
Interest income on		
- fixed deposits with banks	569,780	217,458
	<u><b>569,780</b></u>	<u><b>217,458</b></u>

**17 Depreciation and amortisation**

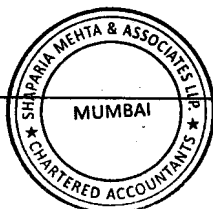
	<b>31 March 2018</b>	<b>31 March 2017</b>
Depreciation of property, plant and equipment (note 2)	335,732	1,025,880
Depreciation on investment properties (note 3)	1,020,974	1,020,974
	<u><b>1,356,706</b></u>	<u><b>2,046,854</b></u>

**18 Finance costs**

	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>Interest expense</b>		
Others	82,293	1,733
	<u><b>82,293</b></u>	<u><b>1,733</b></u>

**19 Other expenses**

	<b>31 March 2018</b>	<b>31 March 2017</b>
Legal and professional fees	187,020	569,207
Travelling expenses	987	16,152
Repairs to building	867,666	20,869
Repairs to others	1,170,693	933,519
Rates and taxes	107,556	164,302
Office expenses	-	14,052
Electricity charges	1,644,757	185,777
Payment to auditors (refer note below)	75,000	75,000
Provision for doubtful debts	-	414,896
Insurance	3,716	13,292
Brokerage and commission	31,176	300,000
Bank charges	-	945
	<u><b>4,088,571</b></u>	<u><b>2,708,011</b></u>
<b>Payments to the auditor:</b>	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>As auditor</b>		
Audit fee	75,000	75,000
	<u><b>75,000</b></u>	<u><b>75,000</b></u>



# Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2018

## 20. Earnings Per Share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31 March 2018	31 March 2017
Net Profit after tax attributable to Equity Shareholders	6,118,853	3,352,392
Weighted average and outstanding number of Equity shares for basic and diluted EPS	14,50,000	14,50,000
Basic and diluted EPS	4.22	2.31

## 21 (I) Commitments and contingencies

There are no contingencies and non-cancellable commitment.

## (II) Leases

### Operating lease commitments

Company as lessee :- Nil

Company as lessor :-

The Company has given commercial properties on non-cancellable operating lease. The lease agreement provides for an option to the Company to renew the lease period at the end of non-cancellable period.

Lease income for the year is Rs.11,051,009(31 March 2017: Rs. 98,98,912). There are no exceptional / restrictive covenants in the lease agreements.

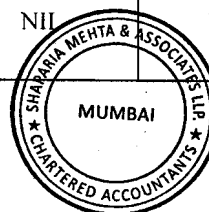
Future minimum rentals payable under non-cancellable operating leases as at 31 March are as follows:

Period	31 March 2018	31 March 2017
Within one year	25,70,400	49,86,237
After one year but not more than five years	4,28,400	29,98,800
More than five years	-	-
<b>Total</b>	<b>29,98,800</b>	<b>79,85,037</b>

## (III) a. Dues to Micro and small Suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 02 October 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small Enterprises.

Particulars	31 March 2018	31 March 2017
Principal amount remaining unpaid to any supplier as at the period end.	NIL	NIL
Interest due thereon	NIL	NIL
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	NIL	NIL
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 period) but without adding the interest specified under the MSMED.	NIL	NIL
Amount of interest accrued and remaining unpaid at the end of the accounting period	NIL	NIL
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowances as a deductible expenditure under the MSMED Act, 2006	NIL	NIL



# **Comptech Solutions Private Limited**

Notes to the financial statements for the year ended 31 March 2018

**b. Earnings in Foreign Currency :- Nil**

**c. Expenditure in Foreign Currency :- Nil**

## **22. a. List Related Parties:-**

### **Holding Company :-**

Contech Logistics Solutions Pvt. Ltd. (formerly Contech Transport Services Pvt. Ltd. )

### **Ultimate Holding Company**

Allcargo Logistics Limited

### **Fellow subsidiaries**

Hindustan Cargo Limited

### **Joint venture of the Ultimate Holding Company**

Avvashya CCI Logistics Private Limited

### **Key Managerial Personnel**

1. Mr. Adarsh Hegde
2. Mr. Jatin Chokshi



# Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2018

## b) Transaction with related parties

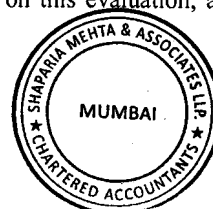
Nature of Transaction	Holding Company/Ultimate Holding Company		Associates/Joint ventures of the Ultimate Holding Company		Fellow Subsidiary	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<b>Rent Income</b>						
Alcargio Logistics Ltd.	3,894,480	38,94,492	-	-	-	-
Hindustan Cargo Ltd	-	-	-	-	-	593,082
Avvashya CCI Logistics Pvt Ltd	-	-	1,245,470	593,082	-	-
<b>Business support income</b>						
Avvashya CCI Logistics Pvt Ltd	-	-	24,422	-	-	-
Alcargio Logistics Ltd.	1,264,013	-	-	-	-	-
<b>Interest Paid</b>						
Contech Transport Services Pvt. Ltd.	-	55,911	-	-	-	-
<b>Reimbursable Expenses</b>						
Alcargio Logistics Ltd	203,493	1,556,115	-	-	-	-
Hindustan Cargo Ltd	-	-	-	-	-	72,877
Avvashya CCI Logistics Pvt Ltd	-	-	20,247	23,269	-	-
<b>Opening balance of borrowings</b>						
Contech Transport Services Pvt. Ltd	-	3,257,675	-	-	-	-
<b>Loans and advances repaid</b>						
Contech Transport Services Pvt. Ltd	-	3,257,675	-	-	-	-
<b>Opening balance of interest Payable</b>						
Contech Transport Services Pvt. Ltd	-	976,516	-	-	-	-
<b>Closing balance of interest Payable</b>						
Alcargio Logistics Ltd	-	-	-	-	-	-
Contech Transport Services Pvt. Ltd	-	-	-	-	-	-
<b>Trade Receivable</b>						
Alcargio Logistics Ltd	691,523	595,671	-	-	-	-
Avvashya CCI Logistics Pvt Ltd	-	-	-	12,949	-	-
<b>Security Deposit payable</b>						
Avvashya CCI Logistics Pvt Ltd	-	-	188,280	188,280	-	-

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2017: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## 23. Fair Value

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

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.



# Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2018

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

## 24 a) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings.

## b) Financial risk management

### Trade receivables

Outstanding customer receivables are regularly monitored and impairment analysis is performed at each reporting date on an individual basis.

## 25. Prior year comparatives:-

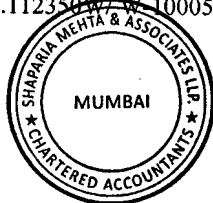
Previous year figures have been regrouped / rearranged, wherever necessary to correspond with the current year classification/ disclosure.

As per our report of even date attached.

For Shaparia Mehta & Associates LLP  
ICAI firm registration No.11235017/W-100051  
Chartered Accountants

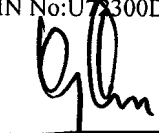


Sandeep Kumar Chhajjer  
Partner  
Membership No:160212



Date: 17 May 2018

For and on behalf of Board of directors of  
Comptech Solutions Pvt.Ltd.  
CIN No:U73300DL1996PTC078496



Adarsh Hegde  
Director  
DIN: 00035040



Jatin Chokshi  
Director  
DIN:00495015

Date: 17 May 2018