

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ECU INTERNATIONAL (ASIA) PRIVATE LIMITED.

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

We have audited the accompanying Ind AS financial statements of ECU International (Asia) Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of profit and loss (including Other comprehensive income), the 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 audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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, 2017, and its profit, total Comprehensive Income, the changes in equity and its cash flows for the year ended on that date.

Other Matters

Incoming auditor to audit comparative information for adjustments to transition to Ind AS

The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 01, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 and March 31, 2015 dated May 05, 2016 and May 04, 2015 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; 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 does not have pending litigations which would materially impact its financial position;
 - 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;
 - iv. the company has provided requisite disclosures in its Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407 (E) dated November 08, 2016 of the Ministry of Finance, during the period from November 08, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosure are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

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

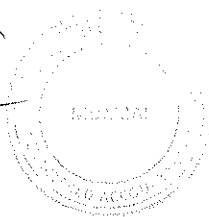
Sanjiv Mehta

Partner

Membership No.- 034950

Place of Signature: Mumbai

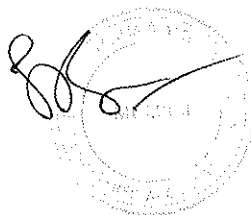
Date: 6th May, 2017



Annexure A to the Independent Auditor's Report


The Annexure referred to in our Independent Auditor's Report to the members of ECU International (Asia) Private Limited (the "Company") on the financial statements for the year ended March 31, 2017, 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 adopted a regular programme of physical verification of fixed assets by which fixed assets are verified in a 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 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 during the period under audit. 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, and any other applicable statutory dues to the appropriate authorities. There is 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 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)


Sanjiv Mehta
Partner

Membership No.- 034950

Place of Signature: Mumbai

Date: 6th May, 2017



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 ECU International (Asia) Private Limited ("the Company") as of March 31, 2017 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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sanjiv Mehta
Partner

Membership No.- 034950

Place of Signature: Mumbai

Date: 6th May, 2017



Ecu International (Asia) Pvt. Ltd.
Balance sheet as at 31 March 2017
(Amount in Rupees)

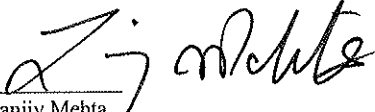
	Notes	31 March 2017	31 March 2016	01 April 2015
Assets				
Non-current assets				
Property, plant and equipment (net)	2	947,499	-	-
Other intangible assets	3	589,313	-	-
Financial assets				
Investments	4.1	10	10	10
Other financial assets	4.2	383,676	-	-
Deferred tax assets (net)	12(b)	32,619	-	-
Non-current tax assets (net)	12(a)	298,855	126,000	127,327
Other non-current assets	5	27,934	-	-
Total - Non-current assets		2,279,906	126,010	127,337
Current assets				
Financial assets				
Investments	6.1	-	-	2,593,150
Short term loans	6.2	985,500	258,413	148,239
Trade receivables	6.3	4,909,826	-	-
Cash and cash equivalents	6.4	5,890,556	2,548,679	9,251
Other financial assets	4.2	-	43,928	21,460
Other current assets	5	11,542,913	20,289	5,413
Total - Current assets		23,328,795	2,871,309	2,777,513
Total Assets		25,608,701	2,997,319	2,904,850
Equity and Liabilities				
Equity				
Equity share capital	7	523,410	523,410	523,410
Other equity	8	6,758,553	2,343,674	2,283,130
Equity attributable to equity holders of the parent		7,281,963	2,867,084	2,806,540
Non-controlling interests		-	-	-
Total Equity		7,281,963	2,867,084	2,806,540
Non-current liabilities				
Net employment defined benefit liabilities	9	4,097,638	-	-
Deferred tax liability (net)	12(b)	-	-	31,810
Total - Non-current liabilities		4,097,638	-	31,810
Current liabilities				
Financial liabilities				
Trade payables	10	1,688,844	10,152	25,561
Other payables	13	13,263	-	-
Net employment defined benefit liabilities	9	4,341,522	-	-
Other current liabilities	11	8,185,471	20,017	-
Current tax liabilities (net)	12(b)	-	100,066	40,939
Total - Current liabilities		14,229,100	130,235	66,500
Total equity and liabilities		25,608,701	2,997,319	2,904,850

Significant accounting policies
Notes to the financial statements

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

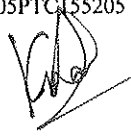
As per our report of even date attached


For Shaparia Mehta & Associate LLP
ICA1 firm registration No. 112350W/W-100051
Chartered Accountants


Sanjiv Mehta
Membership No. 034950



For and on behalf of Board of directors of
Ecu International (Asia) Pvt. Ltd.
CIN No : U72300MH2005PTC155205


Kiran Shankar Shetty
Director
DIN NO : 06369814


Saleem Mohamed Nazir
Director
DIN NO : 07704458

Date: 06th May 2017


Ecu International (Asia) Pvt. Ltd.
Statement of Profit and Loss for the year ended 31 March 2017
(Amount in Rupees)

	Notes	31 March 2017	31 March 2016
Continuing Operations			
Income			
Revenue from operations	14	126,841,119	-
Other income	15	286,454	182,602
Finance income	16	8,483	24,980
Total income		127,136,056	207,582
Expenses			
Employee benefit expense	17	73,442,003	-
Depreciation and amortisation expenses	18	384,690	-
Finance costs	19	14,911	249
Other expenses	20	45,153,604	116,382
Total expenses		118,995,208	116,631
Profit before tax		8,140,848	90,951
Tax expense:			
Current tax		1,761,959	62,000
Adjustment of tax relating to earlier periods		75,120	217
Deferred tax (credit) /charge		462,170	(31,810)
Total tax expense		2,299,249	30,407
Profit for the year from Continuing Operation (i)		5,841,599	60,544
Profit for the year (A)		5,841,599	60,544
Other Comprehensive Income:			
Items that will not be reclassified subsequently to profit or loss:			
Re-measurement gain/(losses) on defined benefit plans		(1,921,508)	-
Income tax effect		494,788	-
		(1,426,720)	-
Other Comprehensive Income for the year, net of tax (B)		(1,426,720)	-
Total Comprehensive income for the year, net of tax (A) + (B)		4,414,879	60,544
Earnings per equity share (nominal value of Rs 10 each)		111.61	1.16
Significant accounting policies			
Notes to the financial statements			

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

As per our report of even date attached

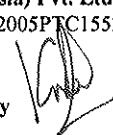
For Shaparia Mehta & Associate LLP
ICAI firm registration No. 112350W/W-100051
Chartered Accountants

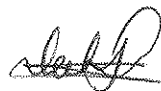

Sanjiv Mehta
Membership No. 034950



Date: 06th May 2017

For and on behalf of Board of directors of
Ecu International (Asia) Pvt. Ltd.
CIN No : U72300MH2005PTC155205


Kiran Shankar Shetty
Director
DIN NO : 06369814

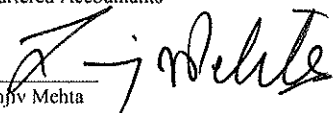

Saleem Mohamed Nazir
Director
DIN NO : 07704458

Ecu International (Asia) Pvt. Ltd.
Statement of Cash Flows for the period ended 31 March 2017
(Amount in Rupees)

	<u>31 March 2017</u>	<u>31 March 2016</u>
Operating activities		
Profit before tax from continuing operations	8,140,848	90,951
Profit before tax from discontinued operations	-	-
Profit before tax	<u>8,140,848</u>	<u>90,951</u>
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	309,471	-
Amortisation of intangible assets	75,219	-
Finance costs	14,911	249
Interest Income	(8,483)	(24,980)
Dividend income	-	(182,602)
Working capital adjustments:		
Decrease / (increase) in trade receivables	(4,909,826)	-
Decrease / (increase) in long term and short term loans and advances	(12,919,734)	(14,877)
(Decrease)/ Increase in trade payables, other current and non current liabilities	9,844,146	4,610
(Decrease)/ Increase in provisions	<u>6,517,652</u>	<u>-</u>
Cash generated from operating activities	<u>7,064,204</u>	<u>(126,649)</u>
Income tax paid (including TDS) (net)	<u>(2,109,660)</u>	<u>(1,764)</u>
Net cash flows from operating activities (A)	<u>4,954,544</u>	<u>(128,413)</u>
Investing activities		
Purchase of property, plant and equipment (including CWIP)	(1,921,503)	-
Proceeds from sale of current Investments (net)	-	2,775,752
Advance (Given) / Received back	258,413	(110,174)
Interest income received	52,071	2,512
Net cash flows from / (used in) investing activities (B)	<u>(1,611,019)</u>	<u>2,668,090</u>
Financing activities		
Proceeds from short term borrowings	-	10,301
Repayment of short term borrowings	-	(10,301)
Finance costs/Interst Paid	(1,648)	(249)
Net cash flows from / (used in) financing activities (C)	<u>(1,648)</u>	<u>(249)</u>
Net increase / (decrease) in cash and cash equivalents (A+B+C)	<u>3,341,877</u>	<u>2,539,428</u>
Opening balance of cash and cash equivalents (refer note 10.4)	2,548,679	9,251
Add/ (less): Exchange difference on translation of foreign currency cash and cash equivalents	-	-
Add: Cash balance of acquired on acquisition of subsidiary / joint ventures	-	-
Less: Cash balance of subsidiaries disposed off	-	-
Cash and cash equivalents at the end	<u>5,890,556</u>	<u>2,548,679</u>

As per our report of even date attached

For Shaparia Mehta & Associate LLP
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Chartered Accountants

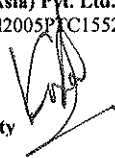

Sanjiv Mehta
Membership No. 034950

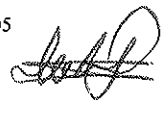


Date: 06th May 2017

For and on behalf of Board of directors of

Ecu International (Asia) Pvt. Ltd.
CIN No : U72300MH2005PTC155205


Kiran Shankar Shetty
Director
DIN NO : 06369814


Saleem Mohamed Nazir
Director
DIN NO : 07704458

Ecu International (Asia) Pvt. Ltd.
Statement of Changes in Equity for the year ended 31 March 2017
(Amount in Rupees)

(A) Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid	No.	Amount
At 1 April 2015	52,341	523,410
Addition	-	-
At 31 March 2016	52,341	523,410
Addition	-	-
At 31 March 2017	52,341	523,410

(B) Other Equity:

For the year ended 31 March 2017

Particulars	Reserves & Surplus	Total equity
	Balance in Statement of Profit and Loss	
As at 31st March 2016	2,343,674	2,343,674
Net Profit for the period	5,841,599	5,841,599
Other comprehensive income	-1,426,720	-1,426,720
Total comprehensive income	6,758,553	6,758,553
As at 31 March 2017	6,758,553	6,758,553

For the year ended 31 March 2016

Particulars	Reserves & Surplus	Total equity
	Balance in Statement of Profit and Loss	
As at 1st April 2015	2,283,130	2,283,130
Net Profit for the period	60,544	60,544
Other comprehensive income	-	-
Total comprehensive income	2,343,674	2,343,674
As at 31 March 2016	2,343,674	2,343,674

As per our report of even date attached

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

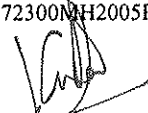

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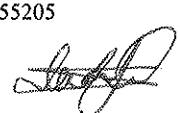


Date: 06th May 2017

For and on behalf of Board of directors of

Ecu International (Asia) Pvt. Ltd.
 CIN No : U72300MH2005PTC155205


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Ecu International (Asia) Pvt. Ltd.

Notes to the financial statements for the year ended 31 March 2017

1. Significant accounting policies

1.1 (a) Statement of compliance

In accordance with the notification issued by Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. Previous periods have been restated to Ind AS. In accordance with Ind AS 101 "First-time Adoption of Indian Accounting Standards", the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2016 and April 1, 2015 and of the comprehensive net income for the year ended March 31, 2016.

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.

Ecu International (Asia) Pvt. Ltd.

Notes to the financial statements for the year ended 31 March 2017

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

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The amount recognised as revenue is exclusive of service tax.

Others:

Reimbursement of cost is netted off with the relevant expenses incurred, since the same are incurred on behalf of the customers.

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. 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.

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.

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Notes to the financial statements for the year ended 31 March 2017

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.

g. 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.

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

Category	Useful lives (in years)
Furniture & Fixture	10
Computers	3-6
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.

h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an

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Notes to the financial statements for the year ended 31 March 2017

intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets are amortised on a straight line basis method basis the life estimated by the management:

Asset class	Useful life
	(in years)
Computer software	6

i. Impairment of non-financial assets (tangible and intangible assets)

The Company assesses Property, plant and equipment and intangible assets with finite life 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 asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. When 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.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

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

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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.

1. Retirement and other employee benefits

- **Short- term employee benefits**

Employee benefits payable wholly within twelve months of availing employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short term employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognized in the period in which the employee renders the related service.

- **Post-employment benefits**

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution of these is recognized as an expense in the Statement of Profit and Loss during the period in which employee renders the related service. There are no other obligations other than the contribution payable to the Provident Fund and Employee State Insurance Scheme.

Defined benefit plan:

Gratuity liability is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year. The Company's gratuity benefit scheme is a defined benefit plan.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. The Company presents the leave as a short-term provision in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as long-term provision.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

m. 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

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Notes to the financial statements for the year ended 31 March 2017

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 AS103 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.

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

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Notes to the financial statements for the year ended 31 March 2017

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.

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.

n. 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.

o. 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.

p. 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

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Notes to the financial statements for the year ended 31 March 2017

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.

Ecu International (Asia) Pvt. Ltd.

Notes to the financial statements as at and for the year ended 31 March 2017

(Amount in Rupees)

2 Property, Plant and Equipment

Description	Office Equipment	Computers	Furniture & fixtures	Total
Cost or Valuation				
Balance as at 31 March 2016	-	-	-	-
Additions	168,129	1,064,066	24,775	1,256,970
Balance as at 31 March 2017	168,129	1,064,066	24,775	1,256,970
Depreciation for the year	109,402	199,688	381	309,471
Balance as at 31 March 2017	109,402	199,688	381	309,471
Net Block				
As at 31 March 2015	-	-	-	-
As at 31 March 2016	-	-	-	-
As at 31 March 2017	58,727	864,378	24,394	947,499

Notes to the financial statements as at and for the year ended 31 March 2017
(Amount in Rupees)

3 Intangible assets

Description	Computer software	Total
Gross Block as of 31st Mar 2016	-	-
Additions	664,532	664,532
Disposals	-	-
Exchange differences	-	-
Balance as at 31 March 2017	664,532	664,532
Amortisation	75,219	75,219
Accumulated amortisation on disposals	-	-
Exchange differences	-	-
Balance as at 31 March 2017	75,219	75,219
Net book value		
At 31 March 2017	589,313	589,313
At 31 March 2016	-	-
At 01 April 2015	-	-

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Notes to the financial statements as at and for the year ended 31 March 2017
(Amount in Rupees)

4	Financial Assets	31 March 2017	31 March 2016	01 April 2015
4.1	Investments			
	Unquoted equity instruments (fully paid-up)			
	Investment in equity instruments of Companies (fully paid-up)	10	10	10
	1 equity share of Ecu Line (I) Pvt Ltd of Rs.10/- each			
	Total Investments	10	10	10

4.2	Other Financial assets	Non-current portion			Current portion	
		31 March 2017	31 March 2016	01 April 2015	31 March 2017	01 April 2015
	Unsecured, considered good					
	Interest accrued on Loan Given	-	-	-	43,928	21,460
		-	-	-	43,928	21,460
	To related parties					
	Unsecured, considered good	383,676	-	-	-	-
	Doubtful	-	-	-	-	-
		383,676	-	-	-	-
	Total Other long-term financial assets	383,676	-	-	43,928	21,460

5	Other assets	Non-current			Current	
	Unsecured considered good, unless stated otherwise	31 March 2017	31 March 2016	01 April 2015	31 March 2017	01 April 2015
	Prepaid expenses	-	-	-	4,320	-
	Unbilled revenue	-	-	-	6,973,990	-
	Contractually reimbursement expenses	-	-	-	1,906,184	-
	Advances for supply of services	-	-	-	750,180	-
	CENVAT receivables	-	-	-	1,870,942	5,413
	Others	27,934	-	-	37,297	-
		27,934	-	-	11,542,913	5,413

Ecu International (Asia) Pvt. Ltd.
Notes to the financial statements as at and for the year ended 31 March 2017
(Amount in Rupees)

6 Financial assets
6.1 Current investments

	31 March 2017	31 March 2016	01 April 2015
Unquoted mutual funds			
Nil (Year-2015 14298.86 Units of DWS Insta Cash Plus Fund)	-	-	2,593,150
Total Unquoted Investments	-	-	2,593,150

6.2 Short term loans

	31 March 2017	31 March 2016	01 April 2015
To parties other than related parties			
Loans / advances to employees	985,500	-	-
To related parties			
Loans to associate / joint ventures	-	258,413	148,239
Total Loans	985,500	258,413	148,239

6.3 Trade receivables

	31 March 2017	31 March 2016	01 April 2015
Trade receivables	-	-	-
Receivables from related parties	4,909,826	-	-
Total trade receivables	4,909,826	-	-
Total Trade receivables	4,909,826	-	-

No trade or other receivable are due from directors or other officers of the 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.

Ecu International (Asia) Pvt. Ltd.
Notes to the financial statements as at and for the year ended 31 March 2017
(Amount in Rupees)

6.4 Cash and bank balances

	31 March 2017	31 March 2016	01 April 2015
Cash and cash equivalents			
Balances with banks			
- On current accounts	5,888,981	2,547,104	7,676
Cash on hand	1,575	1,575	1,575
	<u>5,890,556</u>	<u>2,548,679</u>	<u>9,251</u>

7 Share capital

Authorised capital:				
	Equity shares			
	No	Amount		
At 01 April 2015	1,000,000	10,000,000		
Increase / (decrease) during the year	-	-		
At 31 March 2016	1,000,000	10,000,000		
Increase / (decrease) during the year	-	-		
At 31 March 2017	1,000,000	10,000,000		
Terms/ rights attached to equity shares				
The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.				
In the event of liquidation of the Company, the holders 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.				
Issued equity capital:				
	Issued equity share capital			
	No	Amount		
Issued, subscribed and fully paid-up:				
At 1 April 2015	52,341	523,410		
Changes during the period	-	-		
At 31 March 2016	52,341	523,410		
Changes during the period	-	-		
At 31 March 2017	52,341	523,410		
(i) Details of shareholders holding more than 5% shares of a class of shares				
	As at 31 March 2017		As at 31 March 2016	
Name of Shareholders	No	% holding in the class	No	% holding in the class
Equity shares of Rs 10 each fully paid up				
ECU Hold NV	-	-	52,341	100%
Allcargo Logistics Limited	52,341	100%	-	-
(ii) Reconciliation of number of the equity shares and preference shares outstanding at the beginning and at the end of the year:				
	As at 31 March 2017		As at 31 March 2016	
Equity Shares	No	Amount	No	Amount
At the beginning of the year	52,341	523,410	52,341	523,410
Issued during the period - Bonus shares	-	-	-	-
Outstanding at the end of the year	52,341	523,410	52,341	523,410
(iii) Details of shares held by holding company, the ultimate holding company, their subsidiaries and associates:				
Particulars	Equity shares with voting rights	Compulsorily convertible preference shares	Optionally convertible preference shares	Redeemable preference shares
	Number of shares			
As at 31 March, 2016				
ECU Hold NV	52,341			
As at 31 March, 2017				
Allcargo Logistics Limited	52,341			

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Notes to the financial statements as at and for the year ended 31 March 2017
(Amount in Rupees)

8 Other equity

Surplus in Statement of profit & loss account	Amount in Rs
At 1 April 2015	2,283,130
Add: Profit during the year	60,544
Add: OCI	
At 31 March 2016	2,343,674
Add: Profit during the year	5,841,599
Add: OCI	(1,426,720)
Less : Appropriations	
Total reserves and surplus	6,758,553

9 Net employment defined benefit liabilities

	Long-term			Short-term		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	01 April 2015
Provision for gratuity	4,097,638	-	-	59,659	-	-
Provision for Compensated absences	-	-	-	4,281,863	-	-
	<u>4,097,638</u>	<u>-</u>	<u>-</u>	<u>4,341,522</u>	<u>-</u>	<u>-</u>

10 Trade payables

	31 March 2017	31 March 2016	01 April 2015
Trade payables	1,688,844	10,152	25,561
Trade payables to related parties	-	-	-
	<u>1,688,844</u>	<u>10,152</u>	<u>25,561</u>

13 Other payables

	31 March 2017	31 March 2016	01 April 2015
To parties other than related parties			
Interest payable	-	-	-
To related parties			
Interest payable	13,263	-	-
	<u>13,263</u>	<u>-</u>	<u>-</u>

11 Other liabilities

	Non-current portion			Current portion		
	31 March 2017	31 March 2016	01 April 2015	31 March 2017	31 March 2016	01 April 2015
Employee benefits payable				1,779,535	-	-
Statutory dues payable				1,699,721	2,017	-
Provision for expenses				4,705,495	18,000	-
Others (State Cheques)				720	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,185,471</u>	<u>20,017</u>	<u>-</u>

Ecu International (Asia) Pvt. Ltd.
Notes to the financial statements as at and for the year ended 31 March 2017
(Amount in Rupees)

12 Income tax

12a. Non-current tax Assets (net)			
Particulars	31 March 2017	31 March 2016	01 April 2015
Advance tax recoverable (net of provision for tax)	298,855	126,000	127,327
Others	-	-	-
	298,855	126,000	127,327
12b. Current tax liabilities (net)			
Particulars	31 March 2017	31 March 2016	01 April 2015
Provision for tax (net of advance tax)	-	100,066	40,939
Others	-	-	-
	-	100,066	40,939
<u>The major components of income tax expense for the years ended 31 March 2017 and 31 March 2016 are:</u>			
Statement of profit and loss:			
Profit or loss section	31 March 2017	31 March 2016	
Current income tax:			
Current income tax charge	1,761,959	62,000	
Adjustments in respect of current income tax of previous year	75,120	217	
Relating to origination and reversal of temporary differences	462,170	(31,810)	
Income tax expense reported in the statement of profit or loss	2,299,249	30,407	
<u>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2016 and 31 March 2017:</u>			
	31 March 2017	31 March 2016	
Accounting profit before tax from continuing operations	8,140,848	90,951	
Profit/(loss) before tax from a discontinued operation	-	-	
Accounting profit before income tax	8,140,848	90,951	
At India's statutory income tax rate of 29.87% (31 March 2016: 29.87%)			
Computed tax expenses	2,431,671	27,167	
Utilisation of previously unrecognised tax losses on which deferred tax is not recognised	(133,596)	-	
Income not considered for tax purpose	-	-	
Expenses not allowed for tax purpose	-	3,023	
Adjustments relating to taxes reversal of earlier years	75,120	217	
Others impact	(73,946)	-	
At the effective income tax rate of 28.24% (31 March 2016: 33.43%)	2,299,249	30,407	
Income tax expense reported in the statement of profit and loss	2,299,249	30,407	
Income tax attributable to a discontinued operation	-	-	
	2,299,249	30,407	
12b. Deferred tax:			
Deferred tax relates to the following:			
	Balance Sheet		
	31 March 2017	31 March 2016	1 April 2015
Accelerated depreciation for tax purposes	(175,143)	-	-
Fair Valuation on Investments	-	-	(31,810)
Post-employment benefits	-	-	494,789
Leave Encashments	207,481	-	(207,481)
Future Valuation	281	-	(281)
Deferred tax expense/(income)			462,170
Deferred tax assets/(liabilities)	32,619	-	(31,810)
Net deferred tax assets/(liabilities)	32,619	-	(31,810)
Reflected in the balance sheet as follows:			
	31 March 2017	31 March 2016	1 April 2015
Deferred tax assets (continuing operations)	207,762	-	-
Deferred tax liabilities:			
Continuing operations	(175,143)	-	(31,810)
Discontinued operations	-	-	-
Deferred tax (liabilities)/ Assets, net	32,619	-	(31,810)
<u>Reconciliation of deferred tax (liabilities)/ Assets (net):</u>			
	31 March 2017	31 March 2016	
Opening balance as of 1 April	-	(31,810)	
Tax income/(expense) during the period recognised in profit or loss	(462,170)	31,810	
Tax income/(expense) during the period recognised in OCI	494,789	-	
Closing balance as at 31 March	32,619	-	

14 Revenue from operations

	31 March 2017	31 March 2016
Other operating revenue		
Business support charges	126,841,119	-
Total revenue	126,841,119	-

15 Other income

	31 March 2017	31 March 2016
Other non-operating income		
Net gain on account of foreign exchange fluctuations	232,653	-
Miscellaneous income	33,128	182,602
Fair value gain on financial instruments through profit or loss	20,673	-
	286,454	182,602

16 Finance income

	31 March 2017	31 March 2016
Interest income on		
- loan given to other parties	8,483	24,980
	8,483	24,980

17 Employee benefits expense

	31 March 2017	31 March 2016
Salaries, wages and bonus	65,977,192	-
Contributions to provident and other funds	3,745,164	-
Staff welfare expenses	1,133,566	-
Compensated absences	2,076,961	-
Gratuity expense	509,120	-
	73,442,003	-

18 Depreciation and amortisation

	31 March 2017	31 March 2016
Depreciation of property, plant and equipment (note 2)	309,471	-
Amortisation of intangible assets (note 3)	75,219	-
	384,690	-

19 Finance costs

	31 March 2017	31 March 2016
Interest expense		
Others	14,911	249
	14,911	249

20 Other expenses

	31 March 2017	31 March 2016
Rent	1,821,766	
Legal and professional fees	4,973,159	80,600
Travelling expenses	25,970,373	-
Repairs to building and others	544,636	-
Business promotion	10,782,124	-
Printing and stationery	192,286	-
Communication charges	473,814	-
Rates and taxes	79,800	12,682
Office expenses	179,270	-
Payment to auditors	100,000	23,000
Insurance	10,597	-
Bank charges	25,779	100
	45,153,604	116,382

	31 March 2017	31 March 2016
Payments to the auditor:		
As auditor		
Audit fee	70,000	23,000
Tax audit fee	30,000	-
	100,000	23,000

21 Components of Other Comprehensive Income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

	FVTOCI reserve	Foreign currency translation reserve	Retained earnings	Total
	INR	INR	INR	INR
During the year ended 31 March 2017				
Re-measurement gains (losses) on defined benefit plans	-	-	1,921,508	-
	-	-	1,921,508	-
During the year ended 31 March 2016				
	INR	INR	INR	INR
Re-measurement gains (losses) on defined benefit plans	-	-	-	-
	-	-	-	-

22 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

	31 March 2017	31 March 2016
Profit attributable to equity holders:		
Continuing operations	5,841,599	60,544
Discontinued operation	-	-
Profit attributable to equity holders for basic earnings:	5,841,599	60,544
Weighted average number of Equity shares for basic EPS	52,341	52,341
Basic and diluted EPS	111.61	1.16

To calculate the EPS for discontinued operation, the weighted average number of Equity shares for both the basic and diluted EPS is as per the table above. The following table provides the profit/(loss) amount used:

	31 March 2017	31 March 2016
Profit/(loss) from discontinued operation for the basic and diluted EPS calculations	-	-

23(i) Defined Benefit Plans

In accordance with local laws, the Company provide for gratuity, a defined benefit retirement plan covering eligible employees in India. The plan The following table sets out the funded as well as unfunded status of the retirement benefit plans and the amounts recognised in Financial

(a) Change in the defined benefit obligation

Particulars	31-Mar-17	31-Mar-16
a. Current service cost	381,503	-
Interest Cost	127,618	-
Benefit payments directly by employer	179,515	-
Acquisition / Divestiture	1,906,184	-
Actuarial (Gain) / Loss - Demographic	256,248	-
Actuarial (Gain) / Loss - Financial	275,019	-
Actuarial (Gain) / Loss - Experience	1,390,241	-
Defined Benefit Obligation as of Current Year	4,157,297	-

(b) Change in Fair Value of Plan Assets

Particulars	31-Mar-17	31-Mar-16
Acquisition / Divestiture	-	-
Fair value of plan assets at end of year	-	-

(c) Net Defined Benefit Asset / (Liability)

Particulars	31-Mar-17	31-Mar-16
Defined Benefit Obligation	4,157,297	-
Fair value of Plan Assets	-	-
Surplus / (Deficit)	4,157,297	-
Net Defined Benefit Liability / (Asset)	4,157,297	-
Expected Company Contributions for the Next Year	59,659	-

(d) Reconciliation of Amounts in Balance Sheet

Particulars	31-Mar-17	31-Mar-16
Acquisition / Divestiture	1,906,184	-
Defined benefit cost included in P&L	509,121	-
Total remeasurements included in OCI	1,921,508	-
Direct benefit payments by Employer	(179,515)	-
Net defined benefit liability (asset) - end of period	4,157,298	-

(e) Expense Recognised in the Statement of Profit & Loss Account

Particulars	31-Mar-17	31-Mar-16
Current service cost	381,503	-
Total service cost	381,503	-
Interest expense on DBO	127,618	-
Total net interest cost	127,618	-
Defined benefit cost included in P&L	509,121	-

(f) Remeasurement Effects Recognized in Other Comprehensive Income (OCI)

Particulars	31-Mar-17	31-Mar-16
a. Actuarial (Gain) / Loss due to Demographic Assumption changes in DBO	256,248	-
b. Actuarial (Gain) / Loss due to Financial Assumption changes in DBO	275,019	-
c. Actuarial (Gain) / Loss due to Experience on DBO	1,390,241	-
g. Total Actuarial (Gain)/Loss included in OCI	1,921,508	-

(g) Total Cost Recognised in Comprehensive Income

Particulars	31-Mar-17	31-Mar-16
Cost Recognised in P&L	509,121	-
Remeasurements Effects Recognised in OCI	1,921,508	-
Total Cost Recognised in Comprehensive Income	2,430,628	-

(h) Reconciliation of Statement of Other Comprehensive Income

Particulars	31-Mar-17	31-Mar-16
Total remeasurements included in OCI	1,921,508	-
Cumulative OCI - (Income)/Loss, End of Period	1,921,508	-

(i) Current / Non-Current Liability

Particulars	31-Mar-17	31-Mar-16
Current Liability	59,659	-
Non-Current Liability	4,097,639	-
Total	4,157,298	-

(j) Expected Future Cashflows

Particulars	31-Mar-17	31-Mar-16
Year 1	59,659	-
Year 2	86,656	-
Year 3	101,086	-
Year 4	111,474	-
Year 5	126,827	-
Years 6 to 10	756,463	-

Assumptions

Financial Assumptions

	01/04/2016 to 3/31/2017
Discount rate	7.35%
Basic salary increases allowing for regular increases/price inflation/promotional increases	8.00%
Expected rate of return on assets	N.A

Demographic assumptions	01/04/2016 to 3/31/2017
Mortality	IAI M(2006-08) Ultimate
Withdrawal rate	Service based Service <=4 years- 5% Service >4 years- 2%
Retirement age	58 years

Discount rate

As per para 83 of Ind AS 19, the rate used to discount post - employment benefit obligations (both funded and unfunded) shall be determined by reference to market yields at the end of the reporting period on government bonds.

23(ii) Defined Contribution Plans

For the company an amount of Rs. 37,45,164/- (31 March 2016 : Rs. Nil) contributed to provident funds, ESIC and other funds is recognised by as an expense and included in " Contribution to Provident & Other Funds" Under " Employee benefits expense" in the statement of Profit and Loss.

24 Related party transactions

I. Holding Company	
Allcargo Logistics Limited	
II. Fellow subsidiaries	
Hindustan Cargo Limited	
Acex Logistics Limited	
Contech Logistics Solutions Pvt. Ltd (formerly known as Contech Transport Services Private Limited)	
Comptech Solutions Private Limited	
Amfin Consulting Private Limited	
Ecu Line (India) Private Limited	
Allcargo Shipping Co. Private Limited	
Southern Terminal & Trading Private Limited	
AGL Warehousing Private Limited	
Transindia Logistic Park Private Limited	
Comblane Indian Agencies Private Limited	
Ecu-Line Algiersarl	
Ecu Worldwide (Argentina) SA (formerly known as Ecu Logistics SA)	
Ecu Worldwide (Belgium) (formerly known as Ecu-Line N.V.)	
Ecu-Logistics N.V.	
FMA-Line Holding N.V. (formerly Ecubro N.V.)	
Ecu-Tech bvba (Liquidated on September 13, 2016)	
Ecuhold N.V.	
Ecu International N.V.	
Ecu Global Services n.v.	
HCL Logistics N.V.	
AGL N.V.	
Allcargo Belgium N.V.	
Ecu Worldwide Logistics do Brazil Ltda (formerly known as Ecu Logistics do Brasil Ltda.)	
Ecu-Line Bulgaria EOOD (sold on January 1, 2016)	
Ecu Worldwide (Poland) Sp z o o (formerly known as Ecu-Line Polska SP. Z o.o.)	
Ecu-Line Doha W.L.L.	
Ecu Worldwide Romania SRL (formerly known as Ecu-Line Romania SRL)	
Ecu - Worldwide (Singapore) Pte. Ltd (formerly known as Ecu-Line Singapore Pte. Ltd.)	
Ecu Worldwide (South Africa) Pty Ltd (formerly known as Ecu-Line South Africa (Pty.) Ltd.)	
Ecu-Line Spain S.L.	
Mediterranean Cargo Center S.L. (MCC)	
ECU Worldwide Lanka (Private) Ltd. (formerly known as Ecu Line Lanka (Pvt) Ltd.)	
Société Ecu-Line Tunisie Sarl	
Ecu Worldwide Turkey Tasimacilik Limited Şirketi (formerly known as Ecu Uluslarasi Tas. Ve Ticaret Ltd. Sti.)	
China Consolidated Company Ltd.	
Star Express Company Ltd	
Ecu Worldwide (UK) Ltd (formerly known as Ecu-Line UK Ltd)	
Ecu Worldwide (Uruguay) SA (formerly known as DEOLIX S.A.)	
CLD Compania Logistica de Distribucion SA.	
Guldary S.A.	
Administradora House Line C.A.	
Ecu Worldwide (Mauritius) Ltd (formerly known as Ecu-Line Mauritius Ltd.)	
Asia Line Ltd	
Consolidadora Ecu-Line C.A	
Ecu Shipping Logistics (K) Ltd.	
Ecu-Line Middle East LLC	
Ecu Worldwide (Malaysia) SDN. BHD. (formerly known as Ecu-Line Malaysia Sdn. Bhd.)	
Eurocentre FZCO	
Ecu-Line Hungary Kft (liquidated on December 8, 2016)	
Ecu Worldwide (Kenya) Ltd (formerly known as Ecu-Line Kenya Ltd.)	
Ecu-Line Abu Dhabi LLC	
CCS Shipping Ltd	
Flamingo Line Del Peru SA	
Ecu Worldwide (Chile) S.A (formerly known as Ecu-Line Chile S.A)	
Flamingo Line Chile S.A.	
Ecu Worldwide (Guangzhou) Ltd (formerly known as Ecu-Line Guangzhou Ltd)	
China Consolidation Services Shipping Ltd	
Ecu Worldwide (CZ) s.r.o. (formerly known as Ecu-Line (CZ) s.r.o.)	
Ecu - Worldwide - (Ecuador) S.A. (formerly known as Ecu-Line del Ecuador S.A.)	

Flamingo Line del Ecuador SA
Ecu World Wide Egypt Ltd(formerly known as Ecu Line Egypt Ltd.)
Ecu Worldwide (El Salvador) S.P. Z.o.o S.A. de CV(formerly known as Flamingo Line El Salvador SA de CV)
Ecu Worldwide (Germany) GmbH(formerly known as Ecu-Line Germany GmbH)
ELWA Ghana Limited
Ecu Worldwide (Guatemala) S.A. (formerly Flamingo Line de Guatemala S.A.)
Ecu Worldwide (Hong Kong) Ltd.(formerly known asEcu-Line Hong Kong Ltd.)
Ecu International Far East Ltd.
Contech Transport Services (Pvt) Limited
PT Ecu Worldwide Indonesia(formerly known as PT EKA ConsolUtama Line)
Ecu Worldwide Italy S.r.l. (formerly known asEcu-Line Italia srl.)
Eurocentre Milan srl.
Ecu Worldwide (Cote d'Ivoire) sarl(formerly known as Ecu-Line Côte d'Ivoire Sarl)
Jordan Gulf for Freight Services Agencies Co.LLC(45% Directly w.e.f. December 20, 2016- Ecuhold NV and 55% by local nominee)
Ecu-Line Malta Ltd.
CELM Logistics SA de CV
Ecu Worldwide Mexico(formerly known as Ecu Logistics de Mexico SAdE CV)
Ecu Worldwide Morocco (formerly known as Ecu-Line Maroc S.A.)
Ecu Worldwide (Netherlands) B.V. (Ecu-Line Rotterdam BV)
Rotterdam Freight Station BV
Ecu Worldwide (Panama) SA (formerly Ecu-Line de Panama SA)
Ecu-Line Paraguay SA
Ecu Worldwide (Philippines) Inc. (formerly known as Ecu-Line Philippines Inc.)
EcuLine Worldwide Logistics Co. Ltd. (Incorporated on 28.01.2016)
Ecu Worldwide (Uganda) Limited (incorporated on December 15, 2015)
Ecu-Line Zimbabwe (Pvt) Ltd.
Ecu-Line Peru SA
Ecu-Line Saudi Arabia LLC
Ecu Worldwide (Japan) Ltd.(formerly known asEcu-Line Japan Ltd.)
S.H.E. Maritime Services Ltd.(Merged with ECU UK w.e.f. May 1, 2015)
Ecu Worldwide Australia Pty Ltd(formerly known as Ecu-Line Australia Pty Ltd.)
Ecu Worldwide New Zealand Ltd(formerly known as Ecu-Line NZ Ltd.)
Ecu Worldwide (Thailand) Co. Ltd.(formerly known as Ecu-Line (Thailand) Co. Ltd.)
Ecu Worldwide (Cyprus) Ltd. (formerly known asEcu-Line Mediterranean Ltd.)
Ecu Worldwide China (Shanghai) Ltd (formerly known as China Consolidation Services Ltd.)
Ecu-Line Switzerland GmbH
Ecu Worldwide Canada Inc (formerly known as Ecu-Line Canada Inc) (Acquired balance 30% w.e.f. January 1, 2017)
Cargo Freight Stations, SA
Ocean House Ltd.
Ecu Worldwide (Colombia) S.A.S.(formerly known as Ecu-Line de Colombia S.A.S)
Centro Brasileiro de Armazenagem E DistribuicaoLtda (Bracenter)
European Customs Broker N.V.
Ecu Worldwide Vietnam Co., Ltd (formerly known as Ecu-Line Vietnam Co.Ltd)
Econocaribe Consolidators, Inc
OTT Cargo Inc
Ports International, Inc.
Econoline Storage Corp
ECI Customs Brokerage, Inc
Integrity Enterprises Pty Ltd
PRISM Global, LLC
FCL Marine Agencies B.V.
PPISM Global Ltd.
FMA-LINE France S.A.S.
Ecu Worldwide Costa Rica S.A.(formerly known as Conecli International S.A)
Altargo Logistics LLC
FMA-LINE Nigeria Ltd.(incorporated on July 27,2015)
FMA Line Agencies Do Brasil Ltda. (incorporated on March 11, 2016)
FCL Marine Agencies Belgium bvba(became subsidiary w.e.f. September 7, 2016)
Oceana Shipping (HK) Ltd. (SHA was signed w.e.f. December 30, 2016 and shares were transferred on April 13, 2017)
Oceana Container Line S.A. Ltd. (SHA was signed w.e.f. December 30, 2016 and shares were transferred on April 13, 2017)
CCS China Consolidation Services Company Ltd.

III. Fellow associates

NA

IV. Fellow Joint ventures

NA

III. Key managerial personnel

Mr. Kiran Shankar Shetty
Mr. Udaya Kumar Shetty
Mr. Salim Shaikh

IV. Relatives of Key Management Personnel

NA

V. Entities over which key managerial personnel or their relative's exercises significant influence

NA

Summary of transactions with related parties:

Sr. No.	Nature of Transaction	Holding Allcargo logistics ltd			Fellow Subsidiary AGL Warehousing Private Limited			Fellow Subsidiary Prism Global Ltd.			Fellow Subsidiary ECU Line(India) Pvt. Limited			Total		
		31st March 17	31st March 16	31st March 15	31st March 17	31st March 16	31st March 15	31st March 17	31st March 16	31st March 15	31st March 17	31st March 16	31st March 15	31st March 17	31st March 16	31st March 15
1	Advance given	-	-	-	-	-	-	-	-	-	-	258,413	148,239	-	258,413	148,239
2	Advance given repaid back	-	-	-	-	-	-	-	-	-	258,413	-	-	258,413	-	-
3	Advance Taken	-	10,301	20,495	-	-	-	-	-	-	-	-	-	-	10,301	20,495
4	Advance Repaid	-	10,301	83,396	-	-	-	-	-	-	-	-	-	-	10,301	83,396
5	Interest payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Interest receivable	13,263	-	-	-	-	-	-	-	-	-	43,928	21,460	13,263	-	-
7	Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Interest Income	14,911	249	4,672	-	-	-	-	-	-	8,143	24,980	13,141	14,911	249	4,672
9	Payment Received towards earned leave benefit per valuation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Paid for Asset purchase	3,476,114	-	-	-	-	-	-	-	-	-	-	-	3,476,114	-	-
11	Rent Paid for Office	699,840	-	-	-	-	-	-	-	-	-	-	-	699,840	-	-
12	Business Support Charges	-	-	-	1,800,000	-	-	-	-	-	-	-	-	1,800,000	-	-
13	Security Deposit (rent) given	-	-	-	-	-	-	126,841,119	-	-	-	-	-	126,841,119	-	-
14	Trade Receivables	-	-	-	450,000	-	-	-	-	-	-	-	-	450,000	-	-
		-	-	-	-	-	-	4,909,826	-	-	-	-	-	4,909,826	-	-

25 (1) Commitments and contingencies

a. Leases			
Operating lease commitments			
Lease expense recognised for the year Rs. 18,00,000 (31 March 2016: Rs. NIL ; 01 April 2015: Rs. NIL). There are no exceptional / restrictive covenants in the lease agreements.			
Future minimum rentals payable under leases as at 31 March are as follows:			
	31 March 2017	31 March 2016	01 April 2015
Within one year	1,800,000	-	-
After one year but not more than five years	3,150,000	-	-
More than five years	-	-	-
	<u>4,950,000</u>	<u>-</u>	<u>-</u>
b. Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for:			
	31 March 2017	31 March 2016	01 April 2015
Capital Commitments due	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
c. Contingent liabilities			
	31 March 2017	31 March 2016	01 April 2015
(i) Disputed liabilities	-	-	-
- Income Tax	-	-	-
- Customs related	-	-	-
- Value added tax	-	-	-
- Service Tax	-	-	-
- Stamp duty	-	-	-
- Others	-	-	-

25 (1) 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.

	31 March 2017	31 March 2016	01 April 2015
Principal amount remaining unpaid to any supplier as at the period end.	-	-	-
Interest due thereon	-	-	-
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.	-	-	-
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.	-	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-	-
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	-	-	-
b. Earnings in Foreign Currency	31 March 2017	31 March 2016	01 April 2015
Revenue from operations	-	-	-
- Business support charges	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
c. Expenditure in Foreign Currency	31 March 2017	31 March 2016	01 April 2015
Foreign Travel Expenses - Directors	1,478,134	-	-
Foreign Travel Expenses - Employees	4,774,269	-	-
	<u>6,252,403</u>	<u>-</u>	<u>-</u>

Ecu International (Asia) Pvt. Ltd.
Notes to the financial statements as at and for the year ended 31 March 2017

26 Details of Cash transaction during demonetization period of 09-11-2016 to 30-12-2016 :-

Particulars	Formula	SBNs (old currency note of 500 & 1000)	Other Denomination notes (100/50/20/10/5/1/ coins & New currency note of 2000 & 500)	Grand Total
		P	Q	R =P+Q
Opening Cash in hand as on 09-11-2016	A	-	1,575	1,575
(+) Permitted Receipts				
(-) Permitted Payments	C	-	-	-
(-) Amount Deposited in Bank	D	-	-	-
Closing Cash in hand as on 30-12-2016	E=A+B-C-D	-	1,575	1,575

27 (1) Reconciliation of equity as at 31 Mar 2015 (date of transition to Ind AS)

	Foot Notes	1 GAAP	Adjustments	Ind AS
Assets				
Non-current assets				
Financial assets				
Investments		10	-	10
Deferred tax assets (net)		-	-	-
Non-current tax assets (net)		127,327	-	127,327
Total - Non-current assets		127,337	-	127,337
Current assets				
Financial assets				
Investments	1	2,490,206	102,945	2,593,150
Loans		148,239	-	148,239
Cash and cash equivalents		9,251	-	9,251
Other financial assets		21,460	-	21,460
Other current assets		5,413	-	5,413
Total - Current assets		2,674,569	102,945	2,777,513
Total Assets		2,801,906	102,945	2,904,850
Equity and Liabilities				
Equity				
Equity share capital		523,410	-	523,410
Other equity		2,211,995	71,135	2,283,130
Share premium		-	-	-
Equity attributable to equity holders of the parent		2,735,406	71,135	2,806,540
Non-controlling interests		-	-	-
Total Equity		2,735,406	71,135	2,806,540
Non-current liabilities				
Deferred tax liability (net)	2	-	31,810	31,810
Other liabilities		-	-	-
Total - Non-current liabilities		-	31,810	31,810
Current liabilities				
Financial liabilities				
Trade payables		25,561	-	25,561
Current tax liabilities		40,939	-	40,939
Total - Current liabilities		66,500	-	66,500
Total equity and liabilities		2,801,906	102,945	2,904,850

27 (1) Reconciliation of equity as at 31 March 2016

	Foot Notes	I GAAP	Adjustments	Ind AS
Assets				
Non-current assets				
Financial assets				
Investments		10	-	10
Non-current tax assets (net)		126,000	-	126,000
Total - Non-current assets		126,010	-	126,010
Current assets				
Financial assets				
Loans		258,413	-	258,413
Cash and cash equivalents		2,548,679	-	2,548,679
Other financial assets		43,928	-	43,928
Other current assets		20,289	-	20,289
Total - Current assets		2,871,309	-	2,871,309
Total Assets		2,997,319	-	2,997,319
Equity and Liabilities				
Equity				
Equity share capital		523,410	-	523,410
Other equity		2,343,674	-	2,343,674
Equity attributable to equity holders of the parent		2,867,084	-	2,867,084
Total Equity		2,867,084	-	2,867,084
Current liabilities				
Financial liabilities				
Trade payables		10,152	-	10,152
Other liabilities		20,017	-	20,017
Current tax liabilities		100,066	-	100,066
Total - Current liabilities		130,235	-	130,235
Total equity and liabilities		2,997,319	-	2,997,319

Reconciliation of profit or loss for the year ended 31 March 2016

	Foot Notes	I GAAP	Adjustments	Ind AS
Continuing operations				
Income				
Other income	1	285,547	(102,945)	182,602
Finance income		24,980	-	24,980
Total income		310,527	(102,945)	207,582
Expenses				
Finance costs		249	-	249
Other expenses		116,382	-	116,382
Total expenses		116,631	-	116,631
Profit before tax from continuing operations		193,896	(102,945)	90,951
Tax expenses:				
Current tax		62,000	-	62,000
Adjustment of tax relating to earlier periods		217	-	217
Deferred tax (credit) /charge	2	-	(31,810)	(31,810)
Total tax expense		62,217	(31,810)	30,407
Profit for the year from continuing operations		131,679	(71,135)	60,544
Profit for the year		131,679	(71,135)	60,544

Note

- Investments are measured at fair value with all changes recognised in the statement of profit and loss.
- Deferred tax provided on the above.

28 (i) 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.

(ii) Financial Risk Management

a. Trade receivables

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

b. 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. Management monitors the Company's net liquidity position through forecasts on the basis of monthly business performance and cashflows.

29 First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2017, are the first time has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, ECU International Asia prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the opening balance sheet was prepared as at 1 April 2015, the date of transition to Ind AS. Note 27 explains the principal adjustments made by the in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2015, the date of transition to Ind AS and as of 31 March 2016.

30 Fair value Hierarchy :-

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

The following tables provides the Quantitative disclosures of fair value measurement hierarchy of respective reporting periods :-

	Total	Fair Value		
		Quoted Price in active market (Level 1)	Significant Observable Inputs (Level 2)	Significant unobservable inputs (level 3)
	31-Mar-15			
FVTPL Financial Investments				
Unquoted Investments - Mutual Funds	2,593,150	-	2,593,150	-
Total Financial Assets measured at Fair Value	2,593,150	-	2,593,150	-

The management assessed that the cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial assets as at 31 March 2017 are Rs. 12,169,568 (31 March 2016: Rs. 2,807,102, 31 March 2015: Rs. 2,750,650) which includes trade receivables, short term loans, cash and cash equivalents, other bank balances and other financial assets.

Financial liabilities as at 31 March 2017 are Rs. 1,702,107 (31 March 2016: Rs. 10,152, 31 March 2015: Rs. 25,561) which includes trade payables, other payables and other financial liabilities.

The fair value of the financial assets and liabilities is 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.

31 Prior year comparatives

Previous years figures have been regrouped or rearranged wherever necessary to correspond with the current year's classification / disclosure.

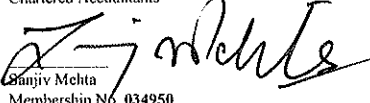
Significant accounting policies

Notes to the financial statements

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

As per our report of even date attached

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

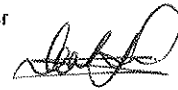

Sanjiv Mehta
Membership No. 034950

Date: 06th May 2017



For and on behalf of Board of directors of
Ecu International (Asia) Pvt. Ltd.
CIN No : U72300MH2005PTC155205

Kiran Shankar Shetty
Director
DIN NO : 06369814


Saleem Mohamed Nazir
Director
DIN NO : 07704458