

Independent Auditor's Report

To the Members of Astra Foundation

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Astra Foundation ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and 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 "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 standalone 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 standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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



Opinion

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

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, 2013 not applicable being Company licensed to operate under Section 8 of the Companies Act 2013 (companies registered with charitable object).
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 standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;
 - (e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; 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. There were no pending litigations which would impact the financial position of the standalone Ind AS financial statements
 - ii. The company did not have any material foreseeable losses on long-term contracts.
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For RPVS & Associates
Chartered Accountants
FRN: 010741S


V V S N Rama Prasad
Partner
M.No.207334

Place: Hyderabad
26 April 2018

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Astra Foundation ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

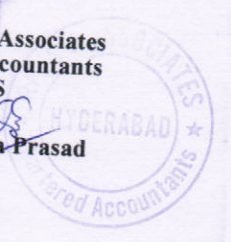
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

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

For RPVS & Associates
Chartered Accountants
FRN: 010741S


V V S N Rama Prasad
Partner
M.No.207334



Place: Hyderabad

26 April 2018

| Particulars | Notes | As at | | As at |
|---|-------|----------------|----------------|---------------|
| | | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| ASSETS | | | | |
| Non-Current Assets | | | | |
| (a) Property, Plant and Equipment | | - | - | - |
| (b) Capital Work-in-progress | | - | - | - |
| (c) Investment in property | | - | - | - |
| (d) Goodwill | | - | - | - |
| (e) Other Intangible Assets | | - | - | - |
| (f) Intangible Assets under Development | | - | - | - |
| (g) Biological Assets other than bearer plants | | - | - | - |
| (h) Financial Assets | | - | - | - |
| (i) Investments | | - | - | - |
| (ii) Trade receivables | | - | - | - |
| (iii) Loans | | - | - | - |
| (iv) Others (to be specified) | | - | - | - |
| (i) Deferred tax assets (net) | | - | - | - |
| (j) Other non-current assets | | - | - | - |
| Current Assets | | | | |
| (a) Inventories | | - | - | - |
| (b) Financial Assets | | - | - | - |
| (i) Investments | | - | - | - |
| (ii) Trade receivables | | - | - | - |
| (iii) cash and cash equivalents | | - | - | - |
| (iv) bank balances other (iii) above | 6 | 122,881 | 75,905 | - |
| (v) Loans | | - | - | - |
| (vi) Others (to be specified) | | - | - | - |
| (c) Current Tax Assets (Net) | | - | - | - |
| (d) Other current assets | | - | - | - |
| Total Assets | | 122,881 | 75,905 | - |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity Share Capital | 1 | 100,000 | 100,000 | - |
| (b) Other Equity | 2 | 6,431 | (46,724) | 53,276 |
| LIABILITIES | | | | |
| Non Current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | | - | - | - |
| (ii) Trade Payables | | - | - | - |
| (iii) Other financial liabilities (other than those specified in item (b), to be specified) | | - | - | - |
| (b) Provisions | | - | - | - |
| (c) Deferred tax liabilities (Net) | | - | - | - |
| (d) Other non-current liabilities | | - | - | - |
| Current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | | - | - | - |
| (ii) Trade Payables | | - | - | - |
| (iii) Other financial liabilities (other than those specified in item (c), to be specified) | 3 | 10,800 | 11,500 | - |
| (b) Other current liabilities | | - | - | - |
| (c) Provisions | 4 | 5,650 | 8,129 | - |
| (d) Current tax liabilities (Net) | | - | 3,000 | - |
| Total Equity liabilities (Net) | | 16,450 | 22,629 | - |
| | | 122,881 | 75,905 | - |

For RPVS & Associates
 Chartered Accountants
 FRN: 0107415

V V S N Rama Prasad
 Partner

Place: Hyderabad
 Date: 26.04.2018

For and on behalf of the board of Directors

Prameelamma
 Prameelamma Chennareddy
 Director
 DIN: 00003243

Shiban
 Shiban Kishan Koul
 Director
 DIN: 00003360

Maram Venkateshwar Reddy
 Maram Venkateshwar Reddy
 Director
 DIN: 00421401

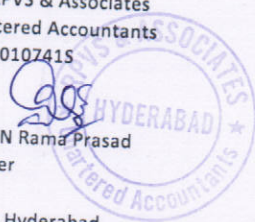
STATEMENT OF INCOME AND EXPENDITURE

| Particulars | Notes | Year ended | |
|---|-------|----------------|----------------|
| | | March 31, 2018 | March 31, 2017 |
| I Revenue From Operations | 7 | 650,000 | 2,272,000 |
| II Other Income | | - | - |
| III Total Income (I+II) | | 650,000 | 2,272,000 |
| IV EXPENSES | | | |
| Project Expenses | | | |
| Employee Benefits Expenses | 8 | 500,000 | 2,268,088 |
| Finance Costs | | - | - |
| Depreciation and Amortisation | 9 | 729 | 10,540 |
| Other Expenses | | - | - |
| V Profit/(Loss) before exceptional Items and tax (I-IV) | 10 | 96,116 | 40,096 |
| VI Exceptional Items | | | |
| VII Surplus/(Deficit) | | | |
| VIII Tax Expenses | | | |
| (1) Current Tax | | | (46,724) |
| (2) Deferred Tax | | | - |
| IX Surplus/(Deficit) for the period from Continuing Operations | | | |
| X Surplus/(Deficit) from discontinued operations | | | (46,724) |
| XI Tax Expenses of discontinued operations | | | - |
| XII Surplus/(Deficit) from discontinued operations | | | - |
| XIII Surplus/(Deficit) for the Period (IX+XII) | | | |
| XIV Other Comprehensive Income | | | |
| A. (i) Items that will not be reclassified to profit or loss | | | |
| (ii) income tax relating to items that will not reclassified to profit or loss | | | |
| B. (i) Items that will be reclassified to profit or loss | | | |
| (ii) income tax relating to items that will be reclassified to profit or loss | | | |
| XV Total Comprehensive income for the period (XIII+XIV) | | | |
| XVI Earning per equity per share (For continuing operations): | | | |
| (1) Basic Earning | | 53,155 | (46,724) |
| (2) Diluted | | 5.32 | (4.67) |
| XVII Earning per equity per share (For discontinuing operations): | | | |
| (1) Basic Earning | | - | - |
| (2) Diluted | | - | - |
| XVIII Earning per equity per share (For continueing and discontinuing operations): | | | |
| (1) Basic Earning | | - | - |
| (2) Diluted | | 5.32 | (4.67) |

For RPVS & Associates
Chartered Accountants
FRN: 010741S

V V S N Rama Prasad
Partner

Place: Hyderabad
Date: 26.04.2018



For and on behalf of the board of Directors

Prameelamma
Prameelamma Chennareddy
Director
DIN: 00003243

Shiban Kishan Koul
Shiban Kishan Koul
Director
DIN: 00003360

Maram Venkateshwar Reddy
Maram Venkateshwar Reddy
Director
DIN: 00421401

ASTRA FOUNDATION

Notes forming part of Financial Statements

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | | As at April 1, 2016 | |
|--|-------------------------|---------|-------------------------|---------|------------------------|--------|
| | No. Of Shares | Amount | No. Of Shares | Amount | No. Of Shares | Amount |
| Share Capital | | | | | | |
| (a) Authorised Capital Equity Share of Rs.10/- each | 10,000 | 100,000 | 10,000 | 100,000 | - | - |
| (b) Issued, Subscribed and Fully Paid Up Equity Share of Rs.10/- each | 10,000 | 100,000 | 10,000 | 100,000 | - | - |

(a) Reconciliation of number of shares and amount outstanding at the beginning and at the reporting period

| Particulars | As at March 31, 2018 | | | | As at March 31, 2017 | | | | As at April 1, 2016 |
|-------------------|----------------------|------------------------|------------------------------|-----------------|----------------------|------------------------|------------------------------|-----------------|---------------------|
| | Opening Balance | Issued during the year | Brought back during the year | Closing balance | Opening Balance | Issued during the year | Brought back during the year | Closing balance | |
| Equity Shares | | | | | | | | | |
| -Number of shares | 10,000 | 0 | 0 | 10,000 | 10,000 | 0 | 0 | 10,000 | - |
| -Amount | 100,000 | 0 | 0 | 100,000 | 100,000 | 0 | 0 | 100,000 | - |

(b) Details of shares held by each shareholder by more than 5%

| Name of the equity shareholder | As at March 31, 2018 | | As at March 31, 2017 | | As at April 1, 2016 |
|----------------------------------|-------------------------|--------------|-------------------------|--------------|---------------------|
| | No. Of Shares | % of holding | No. Of Shares | % of holding | |
| Astra Microwave Products Limited | 9,990 | 99.90% | 9,990 | 99.90% | - |
| Total | 9,990 | 99.90% | 9,990 | 99.90% | - |

Note 2: Other Equity

| Particulars | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|---|-------------------------|-------------------------|---------------------|
| Opening Balance | | | |
| Excess /(Deficit) in the statement of Profit & Loss Account | (46,724) | | - |
| Closing Balance | 53,155 | (46,724) | - |
| | 6,431 | (46,724) | - |

Note 3: Trade Payables

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|-------------|-------------------------|-------------------------|
| Audit Fee | 10,800 | 11,500 |
| Total | 10,800 | 11,500 |

ASTRA FOUNDATION

Notes forming part of Financial Statements

Note 4: Other Current Liabilities

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--------------|-------------------------|-------------------------|
| TDS Payable | 5,650 | 8,129 |
| Total | 5,650 | 8,129 |

Note 5: Short Term Provisions

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Provision for Expenses (Secreterial Fee) | - | 3,000 |
| Total | - | 3,000 |

Note 6: Cash and Cash Equivalents

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Cash on Hand Bank Balance: In Current Accounts | 122,881 | 75,905 |
| Total | 122,881 | 75,905 |

ASTRA FOUNDATION

Notes forming part of Financial Statements

Note 7: Donations Received

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|----------------------------------|-------------------------|-------------------------|
| Astra Microwave Products Limited | 650,000 | 2,272,000 |
| Total | 650,000 | 2,272,000 |

Note 8: Project Expenses

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Construction of Bus Shelter | - | 451,186 |
| Printing and Supply of Gerson Magazines | - | 613,813 |
| Royalty Expenses | - | 741,787 |
| Seater Class Room Benches | - | 461,302 |
| Donations given during the year | 500,000 | - |
| Total | 500,000 | 2,268,088 |

Note 9: Interest and Financial Expenses

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--------------|-------------------------|-------------------------|
| Bank Charges | 729 | 10,540 |
| Total | 729 | 10,540 |

Note 10: Other Expenses

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--------------------------------|-------------------------|-------------------------|
| Audit Fee | 11,800 | 11,500 |
| Office and General Expenses | - | 1,120 |
| Rates and Taxes | 4,066 | 600 |
| Legal and Professional Charges | 80,250 | 26,876 |
| Total | 96,116 | 40,096 |

M/s. ASTRA FOUNDATION
 CIN:U80904TG2016NPL110782
 STATUS : SECTION 8 COMPANY
 CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

| Particulars | Year ended 31 March, 2018 | Year ended 31 March, 2017 |
|---|------------------------------|------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Surplus/(Deficit) for the year | | |
| Add: Adjustments | 53,155 | (46,724) |
| Operating Surplus/(Deficit) before working capital changes | 53,155 | (46,724) |
| Changes in Working Capital | | |
| Decrease/(Increase) in Current Assets | | - |
| Decrease/(Increase) in Other Non Current Assets | | - |
| Increase/(Decrease) in Current Liabilities | (6,179) | 22,629 |
| Increase/(Decrease) in Other Current Liabilities | | - |
| Net cash used in Operating Activities | 46,976 | (24,095) |
| Direct taxes paid | | - |
| Net Cash Used in Operating Activities (A) | 46,976 | (24,095) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Less: | | |
| Investment in Other Security deposits | | - |
| Investment in Fixed Assets | | - |
| Net cash used in Investing Activities (B) | | - |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Add: | | |
| Issue of Share Capital | | 100,000 |
| Raising Secured Loans | | - |
| Less: | | |
| Repayment of Secured Loans | | - |
| Interest and other finance charges | | - |
| Net cash from Financing Activities (C) | | 100,000 |
| D. NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) | 46,976 | 75,905 |
| E. CASH AND CASH EQUIVALENTS | | |
| - at the beginning of the year | 75,905 | - |
| - at the end of the year | 122,881 | 75,905 |

Note:

The cash flow statement is prepared in accordance with the indirect method stated in Accounting Standard 3 on 'Cash Flow Statement' and presents the Cash Flows by Operating, Investing and Financing activities.

As per our report of even date attached
 For RPVS & Associates
 Chartered Accountants
 Firm Regn # 107415

V V S N Rama Prasad
 Partner
 Mem # 207334

Place: Hyderabad
 Date: 26.04.2018

For and on behalf of the Board

Prameelamma
 Prameelamma Chennareddy
 Director
 DIN: 00003243

Shiban Kishen Koul
 Shiban Kishen Koul
 Director
 DIN: 00003360

Maram Venkateshwar Reddy
 Maram Venkateshwar Reddy
 Director
 DIN: 00421401

ASTRA FOUNDATION
 2nd Floor, Astra Towers, Survey No.12 (Part)
 Opp: CII Green Building, Hitech City,
 Kondapur, Hyderabad

Trial Balance
 1-Apr-2017 to 31-Mar-2018

| Particulars | ASTRA FOUNDATION | |
|---|---------------------------|-----------|
| | 1-Apr-2017 to 31-Mar-2018 | |
| | Closing Balance | |
| | Debit | Credit |
| Capital Account | | |
| <i>Equaty Share Capital</i> | | 100000.00 |
| Current Liabilities | | 100000.00 |
| Duties & Taxes | | 16450.00 |
| <i>TDS Payables on Legal & Proff. Fee (194J)-Others</i> | | 5650.00 |
| Provisions | | 5650.00 |
| Sundry Creditors | | 10800.00 |
| Current Assets | 122881.31 | |
| Bank Accounts | 122881.31 | |
| <i>SBI CA NO.36016568572</i> | 122881.31 | |
| Indirect Incomes | | 650000.00 |
| <i>Donations Received</i> | | 650000.00 |
| Indirect Expenses | 596844.70 | |
| <i>Auditors Remuneration</i> | 11800.00 | |
| <i>Bank Charges</i> | 728.70 | |
| <i>Donation Paid</i> | 500000.00 | |
| <i>Legal & Professional Charges</i> | 80250.00 | |
| <i>Rates & Taxes</i> | 4066.00 | |
| Profit & Loss A/c | 46723.99 | |
| Grand Total | 766450.00 | 766450.00 |

Astra Foundation

Notes forming part of the financial statements for the year ended March 31, 2018

Background

Astra Foundation is a company registered under section 8 f the Companies Act 2013, vide Corporate Identifications Number:U80904TG2016NPL110782 on 9th July 2016, at Hyderabad, Telangana. The Company has been formed to promote education, including special education and employment enhancing vocation skills, undertake and carryout charitable, educational, health and socio-economic programs for the welfare of poor and needy people.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Note 1.1: Basis of preparation of financials statements

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards(Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2018 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS, refer note 38 for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis

Note 1.2: Use of estimates

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

Note 1.3 : Revenue recognition

Revenue is recognised at fair value of the consideration received and receivable. Amount disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Note 1.4 : Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Note 1.5 : Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Note 1.6: Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Note 1.7 : Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Note 1.8 : Provisions

Provisions for legal claims, service warranties, volume discounts and returns are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

Note 1.9: Employee benefits

Provisions of The Employee Provident Fund and miscellaneous provisions Act, 1952 and Employees State Insurance Act, 1948 and the Payment Gratuity Act, 1972 are not applicable as the numbers of employees employed during the financial year do not fall under the purview of the applicable provisions of the act.

Note 1.10 : Earnings per share**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.