

APA Engineering Private Limited
Consolidated Balance Sheet as at

Particulars		Note	Amount in ₹	
			Mar 31, 2017	Mar 31, 2016
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	2.1		518,940	518,940
(b) Reserves and surplus	2.2		172,066,825	137,273,984
2 Non-current liabilities				
(a) Deferred tax liabilities (Net)			3,130,257	2,848,889
(b) Long-term provisions	2.3		561,043	561,043
3 Current liabilities				
(a) Short-term borrowings	2.4		25,926,367	13,035,192
(b) Trade payables	2.5		192,825,786	156,106,014
(c) Other current liabilities	2.6		1,585,442	6,093,511
(d) Short Term Provisions	2.7		580,026	156,145
TOTAL			397,194,687	316,593,718
II. ASSETS				
1 Non-current assets				
(a) Fixed assets	2.8			
(i) Tangible assets			41,274,127	37,880,617
(ii) Intangible assets			5,869,315	3,646,577
(b) Long-term loans and advances	2.9		708,559	1,423,998
2 Current assets				
(a) Current investments	2.10		29,992,175	16,703,706
(b) Inventories	2.11		39,300,862	38,134,879
(c) Trade receivables	2.12		241,141,033	172,389,682
(d) Cash and cash equivalents	2.13		19,711,921	31,322,803
(e) Short-term loans and advances	2.14		19,196,695	15,091,456
TOTAL			397,194,687	316,593,718
Significant Accounting Policies & Notes to the Accounts		1 & 2		
"As per our report of even date"				
<div> <div> For ANNAMALAI ASSOCIATES Chartered Accountants Firm's Registration No.: 000185S </div> <div> For and on behalf of the Board of Directors </div> </div>				
<div> <div> -sd- CA.K.K.Nilakanthan Partner Membership No.: 027208 </div> <div> -sd- Director </div> <div> -sd- Director </div> </div>				
Place : Chennai Date : May 11, 2017				

APA Engineering Private Limited				
Consolidated Statement of Profit and Loss for the year ended				
Particulars		Note	Amount in ₹	
			Mar 31, 2017	Mar 31, 2016
I.	Revenue from operations	2.15	1,070,964,670	1,010,585,617
II.	Other income, (net)	2.16	6,503,251	3,752,490
III.	Total Revenue		1,077,467,921	1,014,338,107
IV.	Expenses:			
	Cost of Revenue	2.17	906,880,558	843,309,838
	Employee benefit expenses	2.18	82,733,955	80,411,052
	Finance costs	2.19	666,682	382,143
	Depreciation	2.8	5,611,415	4,674,781
	Other expenses	2.20	29,161,779	31,887,873
	Total expenses		1,025,054,389	960,665,687
V.	Profit before tax		52,413,532	53,672,420
VI.	Tax expense:	2.21		
	(a) Current tax		17,202,418	17,642,551
	(b) Deferred tax		281,368	263,889
VII.	Profit after tax for the year		34,929,745	35,765,980
	Earnings per equity share:			
	Equity shares of par value ₹ 10/- each		51,894	51,894
	Basic		673	689
	Diluted		673	689
	Weighted average number of equity shares used in computing earnings per share			
	Basic		51,894	51,894
	Diluted		51,894	51,894
Significant Accounting Policies & Notes to the Accounts		1 & 2		
"As per our report of even date"				
For ANNAMALAI ASSOCIATES				
Chartered Accountants				
Firm's Registration No.: 000185S				
			For and on behalf of the Board of Directors	
-sd-		-sd-	-sd-	
CA.K.K.Nilakanthan		Director	Director	
Partner				
Membership No.: 027208				
Place : Chennai				
Date : May 11, 2017				

APA Engineering Private Limited Consolidated Cash Flow Statement for the year ended				
Particulars	Amount in ₹			
	Mar 31, 2017		Mar 31, 2016	
A. Cash Flow arising from Operating Activities				
Profit before tax and exceptional items		52,413,532		53,672,420
Add:				
1. Depreciation	5,611,415		4,674,781	
2. Interest Charges	666,682		382,143	
3. Provision for Gratuity & Leave Encashment	-		-	
4. Interest Income	(1,264,615)		(797,787)	
5. Foreign currency translation reserve	(136,905)		-	
6. Dividend Income	(216,022)		(277,837)	
7. Foreign Exchange Adjustments -Loss /(Gain) -net	738,902		5,406,305	
		5,399,457		9,387,605
Operating Profit before Working Capital Changes		57,812,989		63,060,025
Working Capital Changes				
1. (Decrease)/Increase in Trade Receivables	(82,778,722)		(28,492,973)	
2. (Increase)/Decrease in Inventories	(1,165,983)		35,846,298	
3. (Increase)/Decrease in Loans and advances	(3,389,800)		12,361,386	
4. (decrease)/Increase in Trade payables & Other Liabilities	45,526,759		(67,649,239)	
Net Working Capital Changes		(41,807,746)		(47,934,528)
Cash Flow from Operations		16,005,243		15,125,497
Direct Tax Paid		(17,202,418)		(845,166)
Net Cash from operating Activities		(1,197,175)		14,280,331
B. Cash Flow from Investing Activities				
1. Interest Received	1,264,615		797,787	
2. Increase in capital reserve on merger	-		-	
3. Purchase of Fixed Assets	(11,227,662)		(10,807,911)	
4. Profit on Sale of assets	-		-	
5. Purchase of Investments			(3,203,706)	
6. Fixed Assets additions on account of Merger			(5,173,339)	
7. Dividend from Investments	216,022		277,837	
8. Adjustments on account of Merger	-		15,003,895	
9. Adjustments on account of investments	-		-	
10. Adjustments on capital reserve on consolidation	-		(9,354,113)	
Net Cash used in Investing Activities		(9,747,025)		(12,459,550)
C. Cash Flow from Financing Activities				
1. Interest paid	(666,682)		(382,143)	
2. Increase/(Decrease) in borrowings, Net			7,553,535	
3. Dividend Paid/Proposed			(4,281,254)	
4. Increase/(Decrease) in Foreign Exchange Fluctuation			190,093	
		(666,682)		3,080,231
Net Increase/ (Decrease) In cash and Cash equivalents		(11,610,882)		4,901,012
Cash and Cash equivalents as at the beginning of the year		31,322,803		26,421,791
Cash and Cash equivalents as at the end of the year		19,711,921		31,322,803
"As per our report of even date"				
For Annamalai Associates Chartered Accountants Firm's Registration No.: 0001855				
For and on behalf of the Board of Directors <div> <div>-sd-</div> <div>CA.K.K.Nilakanthan</div> <div>Partner</div> <div>Membership No.: 027208</div> </div> <div> <div>-sd-</div> <div>Director</div> </div> <div> <div>-sd-</div> <div>Director</div> </div>				
Place : Chennai Date : May 11, 2017				

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

1. Significant Accounting Policies

1.1. Basis of Preparation

The financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises of mandatory Accounting Standards as prescribed U/s. 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified and applicable). Accounting policies have been consistently applied by the Company and are consistent with those used during the previous period.

1.2. Principles of Consolidation

The financial statements of the subsidiary companies used for consolidation are drawn up to the same reporting date as of the company. The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. All material intercompany transactions, balances and unrealized surpluses and deficits on transactions between group companies are eliminated. Consistency in adoption of accounting policies among all group companies is ensured to the extent practicable.

b) The excess of cost to the company of its investments in subsidiary companies over its share of equity of the subsidiary companies at the dates on which the investments in subsidiary companies are made, is recognized as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment, is in excess of cost of investment of the company, it is recognized as 'Capital Reserve' in the consolidated financial statements.

c) Minority interest in the net assets of consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investment.

1.3. Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known / materialized.

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

1.4. Valuation of Inventories

Inventories are valued at the lower of cost, computed on a weighted average basis, and estimated net realizable value after providing for cost of obsolescence and other anticipated losses, the cost comprises of cost incurred in bringing inventories to their present location and condition.

1.5. Cash Flow Statement

Cash Flows are reported using the Indirect Method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The Cash Flows from regular revenue generating, investing and financing activities of the company are segregated. The Cash flow statement forms part of the financial statements.

1.6. Depreciation Accounting

The Company has provided depreciation on all assets on Straight Line Method prescribed by Companies Act, 2013.

1.7. Revenue Recognition

1. Sales are recognized when invoices raised and are recorded net of trade discounts, rebates, sales tax and excise duties.
2. Software & Consultancy Revenue
The Contracts between the Company and its customers are either Time and Material contracts or Fixed Price contracts.
 - a. Revenue from fixed-price contracts is recognized according to the milestones achieved as specified in the contracts on the Proportionate Completion Method based on the work completed. Any anticipated losses expected upon the contract completion are recognized immediately. Changes in job performance, conditions and estimated profitability may result in revisions and corresponding revenues and costs are recognized in the year in which such changes are identified.
 - b. In respect of time and material contract, revenue is recognized in the year in which the services are provided. Unbilled revenue represents cost and earnings in excess of billings while unearned revenue represents the billing in excess of cost and earnings.
 - c. Revenue from product sale and licensing arrangements are recognized on delivery and installation.
3. Other Incomes
 - (a) Interest income is recognized using time proportion method based on rates implicit in the transaction.
 - (b) Dividend income is recognized when the company's right to receive dividend is established.

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

1.8. Fixed Assets

Fixed assets are capitalized at acquisition cost, which comprises of freight, installation cost, duties, taxes and other directly attributable cost of bringing the assets to its working condition for the intended use. Individual low costs assets (acquired for ₹ 5,000 or less) are depreciated over the period of one year from the date of acquisition.

1.9. Foreign Exchange Transaction

- i. All monetary items denominated in foreign currency are reflected at the rates prevailing on the Balance Sheet date.
- ii. Income and expenditure involving foreign exchange are translated at the exchange rate prevailing on the dates of transaction.
- iii. Exchange differences, if any arising on account of fluctuations in foreign exchange has been duly reflected in the Statement of Profit and Loss.

1.10. Investments

All investments are long term investments based on their nature and intended holding period and are carried at cost. Cost comprises of transfer fee, stamp paper, brokerage etc., Any decline in the value of the long-term investments, other than a temporary decline, is recognized and charged to the Statement of Profit & Loss.

1.11. Retirement Benefits

- a. Contributions to defined contribution schemes such as Provident Fund are charged to the Statement of Profit and Loss as incurred. The liability is not funded.
- b. The Company estimates its liability towards employees Gratuity based on actuarial valuation carried out as at the Balance Sheet date.
- c. Accumulated compensated absences is recognized based on the eligible leave at credit on the Balance Sheet date and is determined on the basis of the estimated cost as per the terms of employment contract.

1.12. Borrowing Cost

The Company has not availed any term loan. Interest on working capital facilities is charged to the Statement of Profit and Loss and hence there is no Borrowing Cost.

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

1.13. Segment Reporting

The Company has identified Business Segment as its Primary Segment and Geographic segment as the secondary segment. The Company primarily operates in single business segment namely Technology services. Geographical segment information is disclosed based on the location of customers.

1.14. Earnings Per Share

Basic Earnings per Share and Diluted Earnings per Share are calculated by dividing the Net Profit after Tax for the year attributable to the Equity Shareholders by the Weighted Average Number of Shares outstanding during the period.

1.15. Taxes on Income

Current Tax is determined in accordance with the provisions of Income tax Act, 1961.

Deferred tax has been determined as per Accounting Standard AS 22 issued by the Institute of Chartered Accountants of India.

1.16. Provisions, Contingent Liabilities & Contingent Assets

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

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2. Notes to the Accounts

2.1. Share Capital

2.1.1. The particulars of authorized, issued, subscribed & fully paid up Share Capital;

Particulars	As at Mar 31, 2017		As at Mar 31, 2016	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10/- each	600,000	6,000,000	600,000	6,000,000
Issued, Subscribed & Paid up fully				
Equity Shares of ₹ 10/- each	51,894	518,940	51,894	518,940
Total	51,894	518,940	51,894	518,940

2.1.2. Reconciliation of the number of shares outstanding at the beginning and at the end of the year is as given below;

Particulars	As at Mar 31, 2017		As at Mar 31, 2016	
	Number	₹	Number	₹
Shares outstanding at the beginning of the period	51,894	518,940	51,894	518,940
Changes during the period	-	-	-	-
Shares outstanding at the end of the period	51,894	518,940	51,894	518,940

2.1.3. Holding Company

30,128 Equity Shares (30,128) are held by TAKE Solutions Limited, the holding company.

2.1.4. Equity Shareholder holding more than 5% of equity shares along with the number of equity share held at the end of the year;

Particulars	As at Mar 31, 2017		As at Mar 31, 2016	
	Number	% of Share holdings	Number	% of Share holdings
TAKE Solutions Limited	30,128	58%	30,128	58%
Mr. K. Vaidynathan	10,883	21%	10,883	21%
Mr. K. Ramakrishanan	10,883	21%	10,883	21%

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.2. Reserves & Surplus

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	₹	₹
(a) Securities Premium Account at the beginning and end of the year	4,617,240	4,617,240
(b) General Reserve at the beginning and end of the year	2,630,021	2,630,021
(c) Foreign Currency Translation Reserve	91,585	228,489
(d) Surplus (Balance in the Statement of Profit and Loss)		
Opening balance	129,798,234	89,830,970
Add: Net Profit/(Loss) for the year	34,929,745	35,765,980
Amounts available for appropriations	164,727,979	125,596,950
Less: Appropriations;		
Interim Dividend	-	4,151,520
Proposed Final Dividend	-	129,734
Dividend Distribution Tax	-	871,577
Adjustments on account of acquisitions/merger	-	2,824,890
Add: Adjustment to merger/Acquisition	-	12,179,005
Closing Balance	164,727,979	129,798,234
Total	172,066,825	137,273,984

2.3. Long-Term Provisions

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	₹	₹
Provision for employee benefits		
- Gratuity (Unfunded)	561,043	561,043
Total	561,043	561,043

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.4. Short-Term Borrowings

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	₹	₹
Secured		
Loans repayable on demand from Banks (PCFC & EPC loan from HDFC Bank Ltd is secured primarily by exclusive charge on the entire current assets of the company, collateral security-Corporate Guarantee by TAKE Solutions Ltd and Personal Guarantee by the Directors)	25,926,367	13,035,192
Total	25,926,367	13,035,192

2.5. Trade Payables

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	₹	₹
Trade Payables	192,825,786	156,106,014
Total	192,825,786	156,106,014

2.6. Other Current Liabilities

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	₹	₹
Advance received from customers	100,287	49,956
Employee related liabilities	245,417	5,221,253
Statutory payables	1,233,250	822,302
Other Payables	6,488	-
Total	1,585,442	6,093,511

2.7. Short-Term Provisions

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	₹	₹
Equity Dividend Payable	-	129,734
Dividend Tax Payable	-	26,411
Taxes Payable	580,026	-
Total	580,026	156,145

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.8. Fixed Assets

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at Apr 01, 2016	Additions	Deletions	Balance As at Mar 31, 2017	Balance As at Apr 01, 2016	Depreciation for the year	Deletions	Balance As at Mar 31, 2017	Balance As at Mar 31, 2017	Balance As at Mar 31, 2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible Assets										
Computers & System Software	8,959,087	1,615,163	-	10,574,250	6,774,261	1,528,384	-	8,302,645	2,271,605	2,184,826
Furniture and Fixtures	4,107,048	215,400	-	4,322,448	1,581,262	380,929	-	1,962,191	2,360,257	2,525,786
Plant and machinery	2,845,923	2,341,858	-	5,187,781	1,424,759	264,532	-	1,689,291	3,498,490	1,421,164
Buildings	26,439,660	334,304	-	26,773,964	2,546,563	445,693	-	2,992,256	23,781,708	23,893,097
Office equipments	9,491,637	1,010,341	-	10,501,978	5,269,645	1,056,425	-	6,326,070	4,175,908	4,221,992
Vehicles	5,317,272	2,403,042	-	7,720,314	1,683,520	850,635	-	2,534,155	5,186,159	3,633,752
Sub Total	57,160,627	7,920,108	-	65,080,735	19,280,010	4,526,598	-	23,806,608	41,274,127	37,880,617
Intangible Assets										
Computer software	7,524,605	3,307,554	-	10,832,159	3,878,027	1,084,817	-	4,962,844	5,869,315	3,646,578
Sub Total	7,524,605	3,307,554	-	10,832,159	3,878,027	1,084,817	-	4,962,844	5,869,315	3,646,578
Grand Total	64,685,232	11,227,662	-	75,912,894	23,158,037	5,611,415	-	28,769,452	47,143,442	41,527,195

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.9. Long-Term Loans and Advances

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	₹	₹
Security Deposits (Unsecured, considered good)		
- Rent Deposit	98,978	98,978
- Electricity Deposit	494,895	494,895
- Others	114,686	75,688
Others - Advance income tax (Net Adjustments)	-	754,437
Total	708,559	1,423,998

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.10. Current Investments

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	₹	₹
Other Investments		
Investments in Mutual funds	29,992,175	16,703,706
Total	29,992,175	16,703,706

Notes:

Particulars	As at Mar 31, 2017		As at Mar 31, 2016	
	Units	₹	Units	₹
Investments in Mutual Fund				
(a) Birla Sun Life Savings Fund	213.155	62,997	12,771.392	500,000
(b) Birla Sun Life Front Line Equity Fund G	15,800.248	2,700,000	-	-
(c) Birla SL Dynamic Bond Reg G	66,426.351	1,500,000	66,426.351	1,500,000
(d) IDFC SSI Medium-term Reg G	172,160.746	4,000,000	172,160.746	4,000,000
(e) Kotak Bond Short-term Reg G	155,289.751	4,000,000	155,289.751	4,000,000
(f) Reliance Short-Term G	136,848.469	3,500,000	136,848.469	3,500,000
(g) L & T India Prudence Fund	167,298.684	3,000,000	167,298.684	3,000,000
(h) L & T Equity Fund	12,156.507	229,007	11,244.830	203,706
(i) ICICI Prudential Flexible Income-Growth	315,665.936	9,500,000	-	-
(j) ICICI Prudential Flexible Income-Growth	3,605.448	1,100,171	-	-
(k) ICICI Balanced Advantage Fund Growth	14,205.262	400,000	-	-
Total	1,059,671	29,992,175	722,040	16,703,706

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.11. Inventories

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	₹	₹
Stock -in-Trade (Valued at cost price)	39,300,862	38,134,879
Total	39,300,862	38,134,879

2.12. Trade Receivables

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	₹	₹
Trade receivables outstanding for a period of more than six months from the date they are due for payment Unsecured, considered good	5,877,604	1,916,564
Trade receivables outstanding for a period of less than six months from the date they are due for payment Unsecured, considered good	235,263,429	170,473,118
Total	241,141,033	172,389,682

2.13. Cash & cash Equivalents

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	₹	₹
Current accounts with banks	10,938,905	23,189,048
Bank deposits with more than 12 months maturity	8,755,050	8,128,005
Cash on hand	17,966	5,750
Total	19,711,921	31,322,803

2.14. Short-Term Loans and Advances

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	₹	₹
Unsecured, considered good		
Others - Advance to Employees	1,558,646	1,262,777
Others - Interest Receivables	442,804	-
Others - Advance to Suppliers	17,195,245	13,828,679
Total	19,196,695	15,091,456

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.15. Revenue from Operations

Particulars	For the year ended Mar 31, 2017	For the year ended Mar 31, 2016
	₹	₹
Income from e- Business Solutions	918,323,169	868,263,122
Income from Software Services and Products	152,641,501	142,322,495
Total	1,070,964,670	1,010,585,617

2.16. Other Income

Particulars	For the year ended Mar 31, 2017	For the year ended Mar 31, 2016
	₹	₹
Interest Income	1,264,615	797,787
Other non-operating income	2,759,446	2,676,866
Dividend Income	216,022	277,837
Profit on Redemption of Mutual funds	2,263,168	-
Total	6,503,251	3,752,490

2.17. Cost of Revenue

Particulars	For the year ended Mar 31, 2017	For the year ended Mar 31, 2016
	₹	₹
E-Business Expenses	892,777,418	824,227,475
Software & Consultancy Expenses	14,103,140	19,082,363
Total	906,880,558	843,309,838

2.18. Employee Benefit Expenses

Particulars	For the year ended Mar 31, 2017	For the year ended Mar 31, 2016
	₹	₹
Salaries & Allowances	76,181,283	74,351,510
Contribution to PF & Other Funds	3,140,782	2,874,279
Gratuity & Other Benefits	976,444	918,788
Staff Welfare	2,435,446	2,266,475
Total	82,733,955	80,411,052

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.19. Finance Cost

Particulars	For the year ended Mar 31, 2017	For the year ended Mar 31, 2016
	₹	₹
Interest Expenses	666,682	382,143
Total	666,682	382,143

2.20. Other Expenses

Particulars	For the year ended Mar 31, 2017	For the year ended Mar 31, 2016
	₹	₹
Audit Fees	315,581	301,117
Bank Charges	271,306	427,313
Charity (Others)	-	53,688
Communication Expenses	2,170,463	1,979,778
Electricity Expenses	1,754,227	1,506,792
Foreign Exchange Loss/(Gain)-net	738,902	5,406,305
Insurance	596,731	627,967
Legal & Professional Expenses	6,934,747	7,247,425
Marketing Expenses	1,942,023	1,420,058
Office Expenses	77,502	130,153
Postage & Telegrams	480,878	442,137
Printing & Stationery	350,226	392,755
Rates & Taxes	296,318	623,040
Rent	642,572	676,440
Repairs & Maintenance - Others	1,091,612	1,249,419
Repairs & Maintenance - Plant & Equipment	1,185,987	1,181,512
Security Charges	905,631	547,580
Subscription Charges	-	33,500
Travelling Expenses	9,407,073	7,640,894
Total	29,161,779	31,887,873

2.21. Tax Expenses

Particulars	For the year ended Mar 31, 2017	For the year ended Mar 31, 2016
	₹	₹
Current Tax	17,202,418	17,642,551
Deferred Tax	281,368	263,889
Short/(Excess) Provision for earlier years	-	-
Total	17,483,786	17,906,440

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.22. Earnings Per Share

Particulars	For the year ended Mar 31, 2017	For the year ended Mar 31, 2016
	₹	₹
Net Profit after tax	34,929,745	35,765,980
No of Equity Shares	51,894	51,894
Earnings per share Basic and diluted (Face value of ₹10/- each)	673	689

2.23. Related Party Disclosure

A) Holding Company – TAKE Solutions Limited, India

B) Subsidiary Companies

APA Engineering Pte Ltd, Singapore

APA Engineering Inc., USA (Added during the year)

C) Fellow Subsidiaries

TAKE Solutions Global Holdings Pte Ltd, Singapore

TAKE Enterprise Services Inc., USA

D) Key Management Personals

Mr. K. Vaidyanathan

Mr. K. Ramakrishnan

Mr. Srinivasan H.R

Ms. Shalini Daga

Ms. Deepa Jeyakumar

E) Details of Transactions during the year and balances as at March 31, 2017;

Name of the party	Nature of Transaction	Mar 31, 2017	Mar 31, 2016
		Amount in ₹	
TAKE Solutions Limited	Interim Dividend	-	2,407,882
TAKE Solutions Limited	Proposed Final Dividend	-	75,246
TAKE Solutions Limited	Dividend Payable	-	75,246
TAKE Solutions Global Holdings Pte Ltd	Cost of Revenue	5,036,325	18,341,400
TAKE Solutions Global Holdings Pte Ltd	Trade Payables	-	31,802,880
Mr. K. Vaidyanathan	Director's Remuneration	5,411,503	6,000,002
Mr. K. Vaidyanathan	Interim Dividend	-	871,819
Mr. K. Vaidyanathan	Proposed Final Dividend	-	27,244
Mr. K. Vaidyanathan	Dividend Payable	-	27,244
Mr. K. Ramakrishnan	Director's Remuneration	5,411,503	6,000,002
Mr. K. Ramakrishnan	Interim Dividend	-	871,819
Mr. K. Ramakrishnan	Proposed Final Dividend	-	27,244
Mr. K. Ramakrishnan	Dividend Payable	-	27,244

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.24. Segment Reporting

Primary Segment Reporting

The Company primarily operates in single business segment namely Technology and hence, no specific disclosure is made.

Secondary Segment Reporting

Revenue

India	21,358,672
Outside India	1,049,605,998
Total	1,070,964,670

2.25. Contingent Liabilities

a) The Company has received from demand from Income Tax authorities for payment of additional tax of ₹ 26,30,186/- upon completion of their tax assessments for the AYs 2010-11 and 2011-12. The tax demands are mainly on account of disallowance of deduction claimed by the company under section 10A of the Income Tax Act. The company has filed CIT appeals for the above assessment years with the appellate authorities and the matter is pending before the Commissioner of Income Tax, Chennai. The management is hopeful of succeeding the same.

b) RPC Power India Private Limited, now merged with APA Engineering Private Limited has received demand from Income Tax authorities for payment of additional tax of ₹ 74, 99,172/- upon completion of their tax assessments for the AYs 2007-08, 2008-09, 2009-10 and 2010-11. The tax demands are mainly on account of disallowance of deduction claimed by the company under section 10B of the Income Tax Act. The company has filed appeals of the above assessment years with the appellate authorities and the matter is pending before the Commissioner of Income Tax, Chennai. The management is hopeful of succeeding the same.

2.26. Lease

The Company has taken land on lease from MEPZ, Tambaram, for a period of 15 years and constructed a building thereon.

Period	Amount in ₹
Within one year	424,776
Between one to five years	806,322
More than five years	-

Total rent expenses for operating leases (including cancellable) amounted to ₹ 642,572 (₹ 676,440) for the year ended March 31, 2017.

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.27. Specified Bank Notes (SBNs)

During the year, the Company has Specified Bank Notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBNs) held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below;

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	12,000	10,093	22,093
(+) Permitted receipts	-	176,300	176,300
(-) Permitted payments	-	178,048	178,048
(-) Amount deposited in Banks	12,000	-	12,000
Closing cash in hand as on 30.12.2016	-	8,345	8,345

2.28. Comparative Figures

Corresponding figures of previous year have been regrouped, wherever necessary, to conform to the current year classifications.

For Annamalai Associates
Chartered Accountants

Firm's Registration No. 000185S

For and on behalf of the Board of Directors

-sd-

CA.K.K.Nilakanthan

Partner

Membership No. 027208

-sd-

Director

-sd-

Director

Place : Chennai

Date : May 11, 2017

Ecron Acunova Limited (Formerly known as Manipal Acunova Limited)

Consolidated Balance Sheet as at 31 March 2017

	Notes	As at 31 March 2017 ₹ (Audited)	As at 31 March 2016 ₹ (Audited)
Equity and liabilities			
Shareholders' funds			
Share capital	3	26,24,68,050	26,24,68,050
Reserves and surplus	4	48,45,20,678	40,39,20,012
		74,69,88,728	66,63,88,062
Non current liabilities			
Long-term borrowings	5	13,89,77,019	21,47,66,742
Long term provisions	6	11,06,269	6,62,462
		14,00,83,288	21,54,29,204
Minority Interest		20,28,887	-
Current liabilities			
Short-term borrowings	7	37,46,96,631	11,83,72,594
Trade payables	8	14,22,37,404	8,29,42,626
(Includes total dues of Micro and Small Enterprises ₹ Nil (March 31, 2016: ₹ Nil)) - Refer Note 28			
Other current liabilities	9	57,90,69,138	62,63,37,449
Short-term provisions	10	6,63,68,170	3,19,81,427
		1,16,23,71,343	85,96,34,096
Total		2,05,14,72,246	1,74,14,51,362
Assets			
Non current assets			
Fixed assets	11		
Tangible assets		12,11,40,837	9,06,78,030
Intangible assets		56,34,73,387	59,55,11,418
Capital work-in-progress		14,03,075	50,91,901
Goodwill on Consolidation		8,45,32,941	9,04,36,968
Deferred tax asset, net	12	1,53,62,591	50,49,015
Long-term loans and advances	13	6,24,05,455	6,45,43,322
		84,83,18,286	85,13,10,654
Current assets			
Inventories	14	43,88,770	37,90,303
Trade receivables	15	45,46,63,527	30,51,76,085
Cash and bank balances	16	26,28,29,614	37,61,56,444
Short-term loans and advances	17	48,12,72,049	20,50,17,876
		1,20,31,53,960	89,01,40,708
Total		2,05,14,72,246	1,74,14,51,362
Summary of significant accounting policies and other explanatory information	2- 31		
The accompanying notes are integral part of the interim condensed consolidated financial statements			

For Sundar Srini & Sridhar
Chartered Accountants
Firm Registration No.: 004201S

For and on behalf of the Board of Directors of Ecron Acunova Limited

S. Sridhar
Partner
Membership No.: 025504
Bengaluru
May 15, 2017

Srinivasan H. R.
Director
DIN: 00130277

D. V. Ravi
Director
DIN: 00171603

Ankita Tiwari
Company Secretary
Membership Number: A34067

Lalit Mahapatra
Chief Financial Officer

Ecron Acunova Limited (Formerly known as Manipal Acunova Limited)
Consolidated Statement of Profit and Loss for the year ended 31 March 2017

	Notes	Year ended 31 March 2017 ₹ (Audited)	Year ended 31 March 2016 ₹ (Audited)
Revenue			
Revenue from operations - Sale of Services		1,67,80,96,975	1,41,00,25,887
Other income	18	1,69,04,330	3,77,21,373
Total revenue		1,69,50,01,305	1,44,77,47,260
Expenses			
Clinical study and research subcontract costs		42,66,38,351	38,59,52,319
Laboratory consumables and chemicals consumed	19	5,41,15,306	5,25,10,721
Employee benefits expense	20	65,97,93,806	57,14,78,567
Finance costs	21	3,29,21,897	4,04,59,773
Depreciation and amortisation	10	3,50,11,765	4,07,00,273
Other expenses	22	34,50,56,916	31,48,45,330
Total expenses		1,55,35,38,041	1,40,59,46,983
Profit / (loss) before tax		14,14,63,264	4,18,00,277
Tax expense			
Current			
- Domestic		3,92,90,870	-
- Foreign		(3,69,144)	12,49,074
Deferred		(1,07,01,331)	-
Profit / (loss) after tax and before Minority Interest		11,32,42,869	4,05,51,203
Minority interest	30	20,65,590	-
Net profit / (loss) for the period / year		11,11,77,279	4,05,51,203
Summary of significant accounting policies and other explanatory information	2 - 31		
The accompanying notes are integral part of the interim condensed consolidated financial statements			

For Sundar Srini & Sridhar
Chartered Accountants
Firm Registration No.: 004201S

For and on behalf of the Board of Directors of Ecron Acunova Limited

S. Sridhar
Partner
Membership No.: 025504

Srinivasan H. R.
Director
DIN: 00130277

D. V. Ravi
Director
DIN: 00171603

Bengaluru
May 15, 2017

Ankita Tiwari
Company Secretary
Membership Number: A34067

Lalit Mahapatra
Chief Financial Officer

Ecron Acunova Limited (Formerly known as Manipal Acunova Limited)
Condensed Consolidated Cash Flow Statement for the nine months ended 31 March 2017

	As at 31 March 2017 ₹ (Audited)	As at 31 March 2016 ₹ (Audited)
A Cash flow from operating activities		
Profit/(loss) before tax	14,14,63,264	4,18,00,277
Adjustments for:		
Prior period expenses		-
Depreciation and amortisation	3,50,11,765	4,07,00,273
Interest expense	3,29,21,897	3,80,65,564
Loss on sale of fixed assets	4,93,620	4,76,286
Unrealised exchange gain	-	-
Provision no longer required written back	-	(1,36,92,579)
Provision for bad and doubtful debts	44,22,420	95,12,082
Bad Debts written off	-	77,359
Profit on sale of investments	(13,06,426)	(5,59,953)
Interest income	(95,26,610)	(97,53,053)
Employee Stock Option Expense	-	64,84,341
Operating profit before working capital changes	20,34,79,930	11,31,10,597
Movements in working capital :		
(Increase) / decrease in inventories	(5,98,467)	3,74,296
(Increase) / decrease in trade receivables	(15,39,09,862)	(11,82,31,083)
Increase in loans and advances	(32,59,02,941)	(5,65,27,005)
(Increase) / decrease in other current assets	-	-
(Decrease) / increase in trade payables	5,92,94,778	2,17,01,615
Increase / (decrease) in other current liabilities	(25,24,454)	4,77,12,984
(Decrease) in short-term provisions	3,48,30,550	1,17,62,260
Cash generated from operations	(18,53,30,466)	1,99,03,664
Taxes received, net of payments	2,35,66,240	5,25,93,729
Net cash generated from operating activities	(16,17,64,226)	7,24,97,393
B Cash flow from investing activities		
Purchase of fixed assets	(7,95,50,687)	(6,78,60,226)
Proceeds from sale of fixed assets	24,39,285	14,99,120
Investment in Mutual Funds	-	-
Interest received	95,26,610	97,53,053
Net proceeds from deposits/ mutual funds	-	5,59,953
Sale of current investments	13,06,426	-
Investment in fixed deposits	(7,39,575)	(33,21,648)
Net cash generated from / (used in) investing activities	(6,70,17,941)	(5,93,69,748)
C Cash flow from financing activities		
Recovery Manipal Acunova Employee Welfare Trust	-	23,63,017
Proceeds/ Repayment from long term borrowings net	(12,03,72,000)	28,57,63,540
Repayment of debentures	-	(31,69,590)
Net movement in short term borrowings	25,63,24,037	(24,26,74,375)
Repayment of finance lease obligations	(1,61,580)	(12,21,671)
Interest paid	(3,29,21,897)	(3,80,65,564)
Net cash generated (used in) financing activities	10,28,68,560	29,95,357
Net increase in cash and cash equivalents (A + B + C)	(12,59,13,607)	1,61,23,002
Effect of exchange rate changes	1,22,50,746	(2,94,77,524)
Cash and cash equivalents at the beginning of the year	25,53,08,087	26,86,62,609
Cash outflow on account of disposal of subsidiary	(4,03,544)	-
Cash and cash equivalents at the end of the year	14,12,41,682	25,53,08,087
Components of cash and cash equivalents		
Cash on hand	6,53,730	15,72,111
Balances with banks		
- in current accounts	14,05,87,952	21,67,35,976
- in deposit account (with maturity upto 3 months)	-	3,70,00,000
	14,12,41,682	25,53,08,087

Note:

The Company considers all highly liquid investments with a remaining maturity, at the date of purchase/investment, of three months or less to be cash equivalents.

For Sundar Srini & Sridhar
Chartered Accountants
Firm Registration No.: 004201S

S. Sridhar
Partner
Membership No.: 025504

Bengaluru
May 15, 2017

For and on behalf of the Board of Directors of Ecron Acunova Limited

Srinivasan H. R.
Director
DIN: 00130277

D. V. Ravi
Director
DIN: 00171603

Ankita Tiwari
Company Secretary
Membership Number: A34067

Lalit Mahapatra
Chief Financial Officer

Ecron Acunova Limited
(Formerly known as Manipal Acunova Limited)
Notes to the consolidated financial statements for the year ended 31 March 2017

1. Background

Ecron Acunova Limited (Formerly Manipal Acunova Limited) ('the Company') is engaged in providing services in the field of Cellular Research, Clinical Trials, Contract Research, Clinical Data Management and Biostatistical Services.

2. Significant Accounting Policies

a) Basis of preparation

The consolidated financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India. The Company has prepared these consolidated financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year.

The consolidated financial statements have been prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as laid down under Accounting Standard 21 – Consolidated Financial Statements prescribed under the Rules. The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions and unrealized profits or losses. The amount shown in respect of reserves comprises the amount of the relevant reserves as per the Balance Sheet of the Company and its share in the post-acquisition change in the relevant reserve of subsidiaries. Minority interest represents the amount of equity attributable to the minority shareholders at the dates on which investment in a subsidiary is made by the Company and its share of movements in the equity subsequent to the dates of investments as stated above.

The excess of cost to the Company of its investments in the subsidiary companies over its share of the equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognized as goodwill, being an asset in the consolidated financial statements. Where the share of the equity in the subsidiary companies as on the date of investment is in excess of cost of investment of the Company, it is recognized as capital reserve and shown under the head Reserves and surplus.

b) Use of Estimates

The preparation of consolidated financial statements in conformity with Generally Accepted Accounting Principles requires management of the Group to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could

Ecron Acunova Limited
(Formerly known as Manipal Acunova Limited)
Notes to the consolidated financial statements for the year ended 31 March 2017

differ from those estimates. Significant estimates used by management in the preparation of these consolidated financial statements include the estimates of the economic useful lives of the fixed assets, provision for doubtful debts and accruals for employee benefits. Any revision to the accounting estimates is recognized prospectively in the current and future periods.

c) Revenue Recognition

The Group derives its revenues from clinical trial and research services, laboratory testing and analysis services and clinical data management services. Revenue is recognized to the extent that the economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue from time and material service contracts is recognized as the services are provided under the terms of the contracts. Revenue from fixed price service contracts is recognized based on the proportionate completion method.

Reimbursements received for certain expenses incurred on projects invoiced separately to customers are included in revenues and amounts recoverable from customers at year end are reflected as sundry debtors.

Amounts billed or payments received, where all the conditions for revenue recognition have not been met, are recorded as deferred revenue under liabilities and are recognized as revenue when all revenue recognition criteria have been met.

Unbilled revenue represents revenues recognized for services rendered in accordance with contractual terms, which have not been billed to the customer at the Balance Sheet date. The related billings are performed within the next operating cycle.

Interest income is recognized on a time proportion basis, taking into account the amount outstanding and rate applied.

d) Fixed Assets

Tangible Assets

Tangible assets are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises of their purchase price and any other directly attributable costs of bringing the assets to their working condition for intended use.

Borrowing costs directly attributable to acquisition of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. All other borrowing costs are charged to the Statement of Profit and Loss.

Advances paid towards acquisition of fixed assets before the financial year-end and the cost of the fixed assets not ready for their intended use, are disclosed as capital work-in-progress.

Ecron Acunova Limited
(Formerly known as Manipal Acunova Limited)
Notes to the consolidated financial statements for the year ended 31 March 2017

Financing costs relating to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

Expenditure directly relating to expansion is capitalized only if it increases the life or functionality of an asset beyond its original standard of performance.

Intangible Assets

Intangible assets are stated at the consideration paid for acquisition less accumulated amortization. Goodwill represents the excess of purchase price over the book value of the net assets of the acquired subsidiary companies on the date of investment. Goodwill is not amortized but is tested for impairment on a periodic basis.

e) Depreciation and Amortization

Depreciation on tangible assets is provided on the straight line method, using the estimated useful lives as specified below

Particulars	Useful life in years
Vehicles	2-8
Plant & Machinery	2-15
Furniture & Fixtures	1-5
Computers	2-6
Lease Hold Improvements	Over the period of lease

Intangible assets comprising of software and trademark are amortized on a straight-line basis over their estimated useful life ranging between two to seven years.

f) Impairment

The Group assesses at each Balance Sheet date whether there is any indication that an asset including goodwill may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

g) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments

Ecron Acunova Limited
(Formerly known as Manipal Acunova Limited)

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

are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments in value is made to recognize a decline other than temporary in the value of the investments.

h) Inventories

Laboratory consumables and chemicals are valued lower of cost and net realizable value. Cost is determined on a first-in-first-out basis and includes all costs incidental in bringing the inventories to their present location and condition. Provision is made for obsolescence where considered necessary.

i) Foreign Currency Transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Translation

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise except those arising from investments in non-integral operations.

Exchange differences arising on a monetary item that, in substance, form part of Company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the consolidated financial statements until the disposal of the net investment, at which time they are recognized as income or as expenses.

Translation of integral and non-integral foreign operations

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Group itself. In translating financial statements of non-integral operation for incorporation in financial statements, the assets and liabilities both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate; income and expense items of the non-integral foreign operation are translated at exchange rates at the dates of the transaction; and all

Ecron Acunova Limited
(Formerly known as Manipal Acunova Limited)

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

resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On disposal of a non-integral foreign operation, the cumulative amount of the exchange difference which have been deferred and which relate to that operation are recognized as income or expense in the same year in which the gain or loss on disposal is recognized.

Where there is a change in the classification of a foreign operation, the translation procedure applicable to the revised classification are applied from the date of the change in the classification.

j) Leases

Finance Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Operating Leases

Lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

k) Retirement and other employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Accounting Standard 15 Employee Benefits.

Defined contribution plan

Retirement benefits in the form of Provident Fund to the Group's Indian employees are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions are due. There are no other obligations other than the contribution payable to the Regional Provident Fund Commissioner.

In case of foreign subsidiary companies, contributions are made as per the respective country laws and regulations. The same is charged to Statement of Profit and Loss on accrual basis. There are no obligations beyond the Group's contribution.

Ecron Acunova Limited
(Formerly known as Manipal Acunova Limited)

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

Defined benefit plan

Gratuity obligations to the Group's Indian employees are recognised at the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets (if any), together with adjustments for unrecognized actuarial gains or losses and past service costs. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the plan. Independent actuaries using the Projected Unit Credit Method calculate the defined benefit obligation annually.

Other long term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability/Asset in respect of earned leave becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of actuarial valuation as at the balance sheet date in a manner similar to gratuity liability.

Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.

Other short-term benefits

Expense in respect of other short-term benefits including performance incentive is recognised on the basis of amount paid or payable for the period during which the employees render services.

I) Tax expense

The Company has various income tax treatments among its group. The accompanying consolidated financial statements reflect a provision for income taxes for its subsidiaries that are foreign corporations subject to tax in their respective countries.

Tax expense comprises current and deferred taxes. Current income tax is measured as the amount expected to be paid in respect of taxable income for the period. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Ecron Acunova Limited
(Formerly known as Manipal Acunova Limited)

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

At each Balance Sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

m) Earnings/(loss) per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. In computing diluted earnings per share only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included.

n) Cash Flow Statement

Cash flows are reported using the Indirect Method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated. The Cash flow statement forms part of the financial Statements.

Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into Cash and have original maturities of three months or less from the date of purchase, to be cash equivalents

o) Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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p) Onerous Contracts

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

3. Share Capital

	As at 31 March 2017		As at 31 March 2016	
	Number (Audited)	Amount (₹) (Audited)	Number (Audited)	Amount (₹) (Audited)
Authorised share capital				
Equity shares of ₹ 10 each	1,91,86,100	19,18,61,000	1,91,86,100	19,18,61,000
Preference shares of ₹ 1,000 each	1,08,139	10,81,39,000	1,08,139	10,81,39,000
	1,92,94,239	30,00,00,000	1,92,94,239	30,00,00,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	1,77,95,305	17,79,53,050	1,77,95,305	17,79,53,050
Add/ (Less): Movement during the year - Net	-	-	-	-
	1,77,95,305	17,79,53,050	1,77,95,305	17,79,53,050
Preference shares of ₹ 1,000 each	84,515	8,45,15,000	84,515	8,45,15,000
	1,78,79,820	26,24,68,050	1,78,79,820	26,24,68,050

a) There has been no movement in the equity share capital during the current and previous years.

b) Rights, preferences, restrictions of the equity shares

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The Company pays and declares dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to shareholders approval (except for interim dividend) in ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

c) Shareholders holding more than 5% of the equity shares

Name of the Shareholder	As at 31 March 2017		As at 31 March 2016	
	Number	% held	Number	% held
TAKE Solutions Limited*	1,77,84,497	99.94%	1,65,31,425	92.90%

* TAKE Solutions Limited, by virtue of SPA entered on 18th November 2015, has agreed to purchase 100% paid up share capital of the company. Pending RBI approval for transfer of shares from Foreign Investors,

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the balance shares of 10,808 (1,263,880) 0.06% of the outstanding equity shares of the company(7.10% of the outstanding equity shares of the company) have not been transferred in the name of TAKE Solutions Limited.

- d) The Company has not allotted shares by way of bonus nor bought back equity shares during five years immediately preceding 31 March 2017.
- e) There has been no movement in the equity share capital during the current and previous years.
- f) **Shareholders holding more than 5% of the preference shares**

Name of the Shareholder	As at 31 March 2017		As at 31 March 2016	
	Number	% held	Number	% held
TAKE Solutions Limited	84,515	100%	84,515	100%

g) **Rights, preferences, restrictions of the preference shares**

The rights and restrictions attaching to the Compulsorily Convertible Cumulative Preference Shares (CCPS) differ from those attaching to Equity Shares as follows:

- The holders of CCPS have no rights to receive notices of, attend or vote at general meetings except in certain limited circumstances.
- On a distribution of assets of the Company, on a winding-up or other return of capital (subject to certain exceptions), the holders of CCPS have priority over the holders of Ordinary Shares to receive the capital paid up on those shares.

h) **Conversion terms of the preference shares**

The Compulsorily Convertible Cumulative Preference Shares(CCPS) are convertible into equity shares upon the expiry of 20 (twenty) years from the date of allotment, at the Conversion Price determined in accordance with the Share Holder's agreement dated 20 November 2009. Also, the Investor shall be entitled, at its option to require the Company to convert all or any part of the Investor CCPS held by it into Equity Shares, at any time after the date of allotment, in accordance with the terms and conditions of the agreement.

The CCPS carry a dividend of 0.0001% per annum. The investor has certain additional rights of distribution at the time of a liquidation event.

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	As at 31 March 2017 ₹ (Audited)	As at 31 March 2016 ₹ (Audited)
4. Reserves and Surplus		
Securities premium reserve		
Balance at the beginning of the year	56,66,87,279	56,02,02,938
Add : Additions on account of exercise of options during earlier years	-	64,84,341
Securities premium	56,66,87,279	56,66,87,279
General Reserve		
Balance at the beginning of the year	-	-
Add: Transferred from Debenture Redemption Reserve	7,92,398	7,92,398
Balance at the end of the year	7,92,398	7,92,398
Foreign currency translation reserve		
Balance at the beginning of the year	8,56,68,507	4,98,68,833
Add : Addition / (deletion) made during the year	(3,05,76,613)	3,57,99,674
Balance at the end of the year	5,50,91,894	8,56,68,507
Statement of Profit and Loss		
Deficit at the beginning of the year	(24,92,28,172)	(28,97,79,375)
Add: Profit/(loss) for the year	11,11,77,280	4,05,51,203
Balance at the end of the year	(13,80,50,892)	(24,92,28,172)
	48,45,20,679	40,39,20,012
5. Long-term borrowings		
Secured		
Term loan from a bank*	75,00,000	1,75,00,000
Fund based working capital loan*	19,06,08,000	30,09,80,000
Unsecured		
Finance lease obligations	6,17,387	7,78,967
	19,87,25,387	31,92,58,967
Less : Current maturities		
Secured		
Term loan from a bank*	75,00,000	1,00,00,000
Fund based working capital loan*	5,19,84,000	9,40,56,250
Unsecured		
Finance lease obligations	2,64,368	4,35,975
	5,97,48,368	10,44,92,225
	13,89,77,019	21,47,66,742

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- a) Term loan carry interest 5.15% above Base Rate, present effective rate being 14.45% p.a. at monthly rests and are repayable along with interest within five years from the date of loan.
- b) Fund based working capital loan carrying interest of 6m Euribor + 2.70% per annum for € 27,50,000 repayable as per the below schedule

Date of repayment	Amount in €
31 March 2018	7,50,000
31 March 2019	10,00,000
31 March 2020	10,00,000
Total	27,50,000

*** Details of guarantee for each type of borrowings**

A corporate guarantee has been given by TAKE Solutions Limited on term loans availed by the Company.

*** Details of security**

Term loan and working capital loan from a bank are secured by way of hypothecation of plant and machinery held by the Company.

c) Finance lease obligations

The lease payments are determined on the basis of the lease agreements entered into with the constituents and the future lease commitments are given below:

Particulars	As at 31 March 2017 (₹)		As at 31 March 2016 (₹)	
	Minimum Payments	Present value of minimum lease payments	Minimum Payments	Present value of minimum lease payments
Payable not later than 1 year	2,64,368	2,64,368	4,35,975	4,29,209
Payable later than 1 year not later than five years	3,53,019	3,49,064	3,42,992	3,28,332
Payable later than five years	-	-	-	-
	6,17,387	6,13,433	7,78,967	7,57,541
Less: Amounts representing interest	3,954	-	14,660	-
	6,13,433	6,13,433	7,64,307	7,57,541

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	As at 31 March 2017 ₹ (Audited)	As at 31 March 2016 ₹ (Audited)
6. Long term provisions		
Provisions for employee benefits	11,06,269	6,62,462
	11,06,269	6,62,462
7. Short-term borrowings		
Secured		
Cash Credit from banks	7,76,96,631	9,33,72,594
Unsecured		
Loan from related parties*	29,70,00,000	2,50,00,000
	37,46,96,631	11,83,72,594

Note:

Details of security and interest rate

- i) Cash credits from a bank includes an amount of ₹ Nil (₹ Nil) [31 March 2016: ₹ Nil (₹ Nil)] secured by way of hypothecation of inventory, receivables and other current assets. The loan carries an interest of 6m Euribor + 2.70% per annum.
- ii) Cash credit from a bank also includes an amount of ₹ 7,76,96,631 (31 March 2015: ₹ 9,33,72,594) secured against the deposit made by Ecron Acunova Limited at State Bank of India and carries a rate of interest of 14.35%.

Details of guarantee

A corporate guarantee has been given by TAKE Solutions Limited on the cash credit availed by the Group.

* Loan from related party represents amount borrowed from parent company with an interest rate of 7% p.a accruing on a reducing balance basis from the date of receipt of funds.

8. Trade Payables

Dues to micro enterprises and small enterprises	-	-
Trade creditors	14,22,37,403	8,29,42,626
	14,22,37,403	8,29,42,626

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	As at 31 March 2017 ₹ (Audited)	As at 31 March 2016 ₹ (Audited)
9. Other current liabilities		
Current maturities		
- Term loans from banks	75,00,000	1,00,00,000
- Fund based Working Capital	5,19,84,000	9,40,56,250
- Finance lease obligations	2,64,368	4,35,975
Interest accrued but not due on borrowings	27,21,010	2,07,858
Accrued expenses	4,67,99,407	6,74,78,360
Advance Received from Customers	10,09,65,822	13,21,91,928
Advances and Unearned revenue	24,82,19,006	29,36,15,682
Statutory dues payable	2,24,13,662	1,50,44,597
Employee related liabilities	1,08,81,013	92,68,516
Capital creditors	1,65,10,762	20,30,658
Others	7,08,10,088	20,07,625
	57,90,69,138	62,63,37,449
10. Short-term provisions		
Provisions for employee benefits	2,75,35,581	3,19,81,427
Provision for tax	3,88,32,589	-
	6,63,68,170	3,19,81,427

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11. Fixed assets

Tangible assets	Amount in ₹				
Particulars	Plant and machinery	Furniture and fixtures	Vehicles	Leasehold improvements	Total
Gross block					
Balance as at 01 April 2015	32,52,18,796	1,27,34,818	67,81,034	5,65,34,931	40,12,69,579
Additions	1,95,75,512	4,18,034	-	11,73,594	2,11,67,140
Disposals	2,82,304	4,65,171	38,21,662	-	45,69,137
Translation adjustment	88,67,960	29,826	-	-	88,97,786
Balance as at 31 March 2016	35,33,79,964	1,27,17,507	29,59,372	5,77,08,525	42,67,65,368
Additions	5,69,24,946	4,66,591	-	3,57,672	5,77,49,209
Disposals	4,05,92,308	-	21,59,371	2,06,779	4,29,58,458
Translation adjustment	(51,90,971)	(7,996)	-	-	(51,98,967)
Balance as at 31 March 2017	36,45,21,631	1,31,76,102	8,00,001	5,78,59,418	43,63,57,152
Accumulated depreciation					
Balance as at 01 April 2015	23,34,87,129	1,21,60,447	27,94,295	5,14,82,082	29,99,23,953
Depreciation charge for the year	2,42,68,956	1,98,594	6,01,239	54,75,613	3,05,44,402
Reversal on disposal of assets	-	4,50,786	21,42,945	-	25,93,731
Translation adjustment	81,85,380	27,334	-	-	82,12,714
Balance as at 31 March 2016	26,59,41,465	1,19,35,589	12,52,589	5,69,57,695	33,60,87,338
Depreciation charge for the period	2,25,32,040	1,57,187	1,70,979	7,84,246	2,36,44,452
Reversal on disposal of assets	3,88,99,843	-	9,18,931	2,06,779	4,00,25,553
Translation adjustment	(44,82,396)	(7,526)	-	-	(44,89,922)
Balance as at 31 March 2017	24,50,91,266	1,20,85,250	5,04,637	5,75,35,162	31,52,16,315
Net block					
Balance as at 31 March 2016	8,74,38,499	7,81,918	17,06,783	7,50,830	9,06,78,030
Balance as at 31 March 2017	11,94,30,365	10,90,852	2,95,364	3,24,256	12,11,40,837

Note:

i) Leasehold improvements include furniture and fixtures taken on finance lease.

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ii) Plant and machinery includes Laboratory and research equipment, computers and office equipment.

Fixed assets (Cont'd)

Intangible assets

	Amount in ₹			
Particulars	Trademarks	Goodwill	Computer Software	Total
Gross Block				
Balance as at 01 April 2015	2,87,57,368	48,65,70,744	5,60,13,352	57,13,41,464
Additions	-	-	4,19,45,348	4,19,45,348
Translation adjustment	-	5,57,45,921	42,8,855	5,99,94,786
Balance as at 31 March 2016	2,87,57,368	54,23,16,665	10,22,07,555	67,32,81,598
Additions	-	-	2,54,90,304	2,54,90,304
Disposals	-	-	-	-
Translation adjustment	-	4,27,60,960	(54,12,253)	(4,81,73,213)
Balance as at 31 March 2017	2,87,57,368	49,95,55,705	12,22,85,606	65,05,98,689
Accumulated amortisation				
Balance as at 01 April 2015	2,30,05,896	-	4,30,74,455	6,60,80,351
Amortisation for the year	57,51,472	-	44,04,399	1,01,55,871
Translation adjustment	-	-	15,33,958	15,33,958
Balance as at 31 March 2016	2,87,57,368	-	4,90,12,812	7,77,70,180
Amortisation for the period	-	-	1,13,67,313	1,13,67,313
Reversal on disposal of assets	-	-	-	-
Translation adjustment	-	-	(20,12,191)	(20,12,191)
Balance as at 31 March 2017	2,87,57,368	-	5,83,67,934	8,71,25,302
Net block				
Balance as at 31 March 2016	-	54,23,16,665	5,31,94,743	59,55,11,418
Balance as at 31 March 2017	-	49,95,55,705	6,39,17,672	56,34,73,387

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	As at 31 March 2017 ₹ (Audited)	As at 31 March 2016 ₹ (Audited)
12. Deferred-tax asset, net		
Deferred tax asset	1,53,62,591	50,49,015
	1,53,62,591	50,49,015
13. Long-term loans and advances (Unsecured)		
Security deposits	1,13,38,435	1,66,93,648
Advance tax	5,10,67,020	4,78,49,674
	6,24,05,455	6,45,43,322
14. Inventories		
Laboratory consumables and chemicals	43,88,770	37,90,303
	43,88,770	37,90,303
15. Trade Receivables (Secured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	2,27,59,972	1,08,51,843
Considered doubtful	97,03,680	3,57,33,182
	3,24,63,652	4,65,85,025
Less : Provision for doubtful debts	97,03,680	3,57,33,182
	2,27,59,972	1,08,51,843
Other receivables		
Considered good	43,19,03,555	29,43,24,242
Considered doubtful	-	-
	43,19,03,555	29,43,24,242
Less : Provision for doubtful debts	-	-
	43,19,03,555	29,43,24,242
	45,46,63,527	30,51,76,085

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	As at 31 March 2017 ₹ (Audited)	As at 31 March 2016 ₹ (Audited)
16. Cash and Cash Equivalents		
Cash and cash equivalents		
Cash on hand	6,53,730	15,72,111
Balances with banks		
- in current accounts	14,05,87,952	21,67,35,976
- in deposit account (with maturity upto 3 months)	-	3,70,00,000
	14,12,41,682	25,53,08,087
Other bank balances		
Balances with bank		
- Margin money deposit against guarantees	12,55,001	77,25,033
- Deposits with bank to the extent held as security against borrowings	12,03,32,931	11,31,23,324
	12,15,87,932	12,08,48,357
	26,28,29,614	37,61,56,444
17. Short-term loans and advances		
(Unsecured)		
Loans and advances to related parties	19,46,40,000	15,07,016
Prepaid expenses	2,06,55,060	1,90,99,022
Advances to suppliers	1,26,29,268	81,55,041
Loans and advances to employees	11,30,337	12,28,827
Unbilled revenue	23,10,83,197	15,39,89,555
Interest accrued but not due on fixed deposits	12,60,756	16,90,976
Others	1,98,73,431	1,93,47,439
	48,12,72,049	20,50,17,876

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	Year ended 31 March 2017 ₹ (Audited)	Year ended 31 March 2016 ₹ (Audited)
18. Other Income		
Interest from bank deposits	95,26,610	97,53,053
Interest on refund of income tax	18,85,300	64,46,740
Gain on foreign exchange fluctuation, net	-	52,28,111
Profit on sale of investments	13,06,426	5,59,953
Provision no longer required, written back	-	1,36,92,579
Others	41,85,994	20,40,937
	1,69,04,330	3,77,21,373
19. Laboratory consumables and chemicals consumed		
Opening inventory	37,90,303	41,64,599
Add : Purchases during the year	5,47,13,773	5,21,36,425
	5,85,04,076	5,63,01,024
Less : Closing inventory	43,88,770	37,90,303
	5,41,15,306	5,25,10,721
20. Employee benefits expense		
Salaries, wages and bonus	55,59,53,671	48,64,91,743
Contribution to provident and other funds	7,79,76,151	6,06,00,383
Gratuity fund contributions and leave encashment	37,88,265	53,95,816
Expense on employee stock option scheme	-	64,84,341
Staff welfare expenses	2,20,75,720	1,25,06,284
	65,97,93,806	57,14,78,567
21. Finance Costs		
Interest expense		
- Term loan from banks	16,41,859	31,46,449
- Vehicle loans from a bank	-	1,63,462
- Cash credit from banks	1,76,63,329	2,04,10,313
Commission on guarantee to related party	-	23,94,209
- Interest on short term borrowings	28,61,178	-
Other Borrowing cost	1,06,76,119	1,43,20,840
Finance lease charges	79,412	24,500
	3,29,21,897	4,04,59,773

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	Year ended 31 March 2017 ₹ (Audited)	Year ended 31 March 2016 ₹ (Audited)
22. Other Expenses		
Power and fuel	2,12,26,713	1,79,06,717
Audit Fees	46,77,955	41,82,858
Rent	4,47,94,215	4,13,23,338
Repairs & Maintenance - Plant and Equipment	2,80,29,464	2,39,92,698
Repairs and maintenance - office and others	3,70,10,239	3,31,43,183
Insurance	1,02,04,339	1,02,24,208
Rates and taxes	30,38,623	12,65,312
Communication costs	1,01,00,964	1,14,37,604
Postage and Courier	1,57,08,256	1,16,00,141
Commission, brokerage & discounts	50,29,581	59,88,565
Travelling and conveyance	4,82,77,151	4,56,62,996
Printing and stationery	74,40,041	94,91,161
Legal, professional and consulting fees	7,09,20,157	7,11,29,786
Marketing and business promotion expenses	85,32,232	74,28,745
Membership and subscription	1,05,83,239	74,90,780
Bank charges	13,58,884	20,56,793
Loss on foreign exchange fluctuation, net	63,98,174	-
Provision for doubtful debts	44,22,420	95,12,082
Bad debts written off	-	77,359
Investment written off	4,75,529	-
Advances written off	33,78,072	-
Loss on sale of fixed assets	4,93,620	4,76,286
Other expenses	29,57,048	9,51,704
	34,50,56,916	31,53,42,316

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23. Group Structure

The following subsidiaries have been considered in the consolidated financial statements:

Name of the entity	Integral/ Non - integral	Country of Incorporation	% Ownership held either directly or through subsidiaries	
			31 March 2017	31 March 2016
Acunova Life Sciences Inc.,	Integral	USA	100%	100%
Acunova Life Sciences Limited	Integral	UK	100%	100%
Ecron Acunova Sdn. Bhd.	Integral	Malaysia	100%	100%
Ecron Acunova Company Limited	Non-Integral	Thailand	82%	82%
Ecron Acunova GmbH	Non-Integral	Germany	100%	100%
Step Down Subsidiaries of Ecron Acunova GmbH				
- Ecron Acunova A/S	Non-Integral	Denmark	100%	100%
- Ecron Acunova Ltd	Non-Integral	UK	100%	100%
- Ecron Acunova Russia	Non-Integral	Russia	100%	100%
- Ecron Acunova Pte Limited	Non-Integral	Singapore	100%	100%
- Ecron LLC Ukraine	Non-Integral	Ukraine	51%	100%
- Ecron sp.z.o.o.	Non-Integral	Poland	100%	100%
- Ecron - The Czech Expert s.r.o.#	Non-Integral	Czech	100%	100%

Acunova Life Sciences Limited, UK has ceased its operations and is in the process of disposing other assets and settling its liabilities. In view of the cessation of the operations, the financial statements have been prepared under the liquidation basis of accounting on the assumption that the Company would cease to be a going concern. As a result, all the assets of the Company have been brought down to the value, which they are expected to realize. All known liabilities of the Company have been provided for, to the extent necessary.

Liquidated w.e.f. March 20, 2017

The other subsidiary of Ecron Acunova GmbH namely Ecron Acunova Italia S.r.l, Italy, has ceased to exist w.e.f. December 30, 2016.

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24. Leases

Finance Lease

Leasehold improvements include office infrastructure (furniture and fixtures) obtained on finance lease for a non-cancellable period of five to ten years. There are no contingent rent arrangements under the terms of the lease.

Operating Lease

Office premises are obtained on operating lease with a commitment period of five to ten years. In addition, the Company has entered into cancellable operating lease arrangements in respect of equipment. There are no contingent rent arrangements under the terms of the lease.

	Year ended 31 March 2017 ₹	Year ended 31 March 2016 ₹
Lease expense under cancellable and non-cancellable leases	4,47,94,215	4,13,23,338

25. Earnings/ (loss) per share

	Year ended 31 March 2017 ₹ (Audited)	Year ended 31 March 2016 ₹ (Audited)
Weighted average number of shares outstanding during the period / year	1,77,95,305	1,77,95,305
Net profit/(loss) after tax attributable to equity shareholders for the period / year	2,64,73,397	4,00,54,217
Earnings/(loss) per share:		
Basic	1.49	2.25
Nominal value per equity share	10	10

Ecron Acunova Limited
(Formerly known as Manipal Acunova Limited)

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

26. Related party disclosures

Description of relationship	Nature of relationship
<i>i) Holding Company</i>	
Take Solutions Limited	Holding Company (w.e.f 18 January 2016)
<i>ii) Key management personnel (KMP)</i>	
Mr. D.A. Prasanna	Chairman, Resigned, w.e.f January 18, 2016
Dr. Surinder Kher	Managing Director, Resigned w.e.f December 15, 2015
Mr. Srinivasan H.R	Non-Executive Director, w.e.f
Mr. D.V. Ravi	Non-Executive Director
Dr. H. S. Ballal	Non-Executive Director
Mr. Lalit Mahapatra	Chief Financial Officer
Ms. Ankita Tiwari	Company Secretary, w.e.f June 09, 2015
<i>ii) Other related parties</i>	
Acunova Life Sciences Private Limited	Enterprise over which relative of key managerial personnel has significant influence, ceased (w.e.f 18 January, 2016)
Apostrophe Design (Previous Known as Qer)	Enterprise over which relative of key managerial personnel has significant influence, ceased (w.e.f 18 January, 2016)

Ecron Acunova Limited
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Notes to the consolidated financial statements for the year ended 31 March 2017

Related party (Contd.)

iii) The transactions with related parties during the year:

Nature of transaction	Relationship	31 March 2017 (Audited) ₹	31 March 2016 (Audited) ₹
Short term borrowings			
TAKE Solutions Limited	Holding Company	27,20,00,000	2,50,00,000
Professional Charges			
Apostrophe Design (Previous Known as Qern)	Enterprise over which relative of key managerial personnel has significant influence	-	8,44,200
Services Cost			
NAVITAS LLP	Fellow Subsidiary	21,83,952	-
TAKE Enterprise Services Inc	Fellow Subsidiary	1,62,412	-
Interest Cost			
TAKE Solutions Limited	Holding Company	28,61,178	-
Reimbursement of Expenses			
NAVITAS Inc	Fellow Subsidiary	8,60,426	-
NAVITAS Life Sciences Inc	Fellow Subsidiary	4,49,631	-
Short Term Loans Advances			
TAKE Innovations Inc	Fellow Subsidiary	19,46,40,000	-
Commission paid on letter of comfort			
Acunova Life Sciences Private Limited	Enterprise over which relative of key managerial personnel has significant influence	-	17,41,918
Redemption of debentures			
Acunova Life Sciences Private Limited	Enterprise over which relative of key managerial personnel has significant influence	-	31,69,590
Remuneration			
Mr. D.A. Prasanna	Chairman	-	61,68,555
Dr.Surinder Kher	Managing Director	-	97,80,334
Mr. Lalit Mahapatra	Chief Financial Officer	62,80,158	48,21,138
Ms. Ankita Tiwari	Company Secretary	5,58,077	4,04,460

Ecron Acunova Limited
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Notes to the consolidated financial statements for the year ended 31 March 2017

iv) Closing balance of related parties receivables / (payables):

Nature of transaction	Relationship	31 March 2017 (Audited)	31 March 2016 (Audited)
		₹	₹
Short term borrowings			
TAKE Solutions Limited	Holding Company	29,70,00,000	2,50,00,000
Trade Payables			
NAVITAS Inc	Fellow Subsidiary	8,09,121	-
NAVITAS Life Sciences Inc	Fellow Subsidiary	4,22,820	-
Trade Receivables			
TAKE Innovations Inc	Fellow Subsidiary	9,98,62,063	-
Other Current Liabilities			
TAKE Solutions Limited	Holding Company	25,75,060	-
NAVITAS LLP	Fellow Subsidiary	2,43,750	-
Short Term Loans and Advances			
TAKE Innovations Inc	Fellow Subsidiary	19,46,40,000	-
Corporate guarantee			
TAKE Solutions Limited	Holding Company	(44,32,00,000)	-
Acunova Life Sciences Private Limited	Enterprise over which relative of key managerial personnel has significant influence	-	(53,45,00,000)

* ceased to be a related party from December 15, 2015

Ecron Acunova Limited
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Notes to the consolidated financial statements for the year ended 31 March 2017

27. Segment reporting

The primary segmental reporting of the Group has been performed on the basis of the geographical segments (based on location of assets).

A. Primary Segmental Reporting for the year ended 31 March 2017

Amount in ₹

Geographic Segment	Asia	Europe	USA	Unallocated	Eliminations/ Reconciling items	Total
(i) Revenue						
External sales	84,22,08,020	64,62,54,510	18,96,34,445	-	-	1,67,80,96,975
	64,58,01,630	64,25,27,028	12,16,97,229	-	-	1,41,00,25,887
Inter-segment sales	1,48,34,631	8,51,10,623	4,29,44,595	-	(14,28,89,849)	-
	1,88,73,232	62,11,130	3,46,30,695	-	(5,97,15,057)	-
	85,70,42,651	73,13,65,133	23,25,79,040	-	(14,28,89,849)	1,67,80,96,975
	66,46,74,862	64,87,38,158	15,63,27,924	-	(5,97,15,057)	1,41,00,25,887
(ii) Segment Result	20,89,72,780	(15,16,13,074)	10,65,19,302	-	-	16,38,79,005
	5,97,31,526	2,06,75,706	(3,58,68,555)	-	-	4,45,38,677
(iii) Unallocable Income						1,69,04,330
						3,77,21,373
(iv) Finance Costs and Forex fluctuation loss						(3,93,20,071)
						(4,04,59,773)
Profit before tax						14,14,63,264
						4,18,00,277
(v) Tax expense						(2,82,20,395)
						(12,49,074)
(vi) Profit after tax before Minority interest						11,32,42,869
						4,05,51,203

Ecron Acunova Limited
(Formerly known as Manipal Acunova Limited)
Notes to the consolidated financial statements for the year ended 31 March 2017

(vii) Minority Interest						20,65,590
						-
(viii) Profit After Tax						11,11,77,279
						4,05,51,203
(vii) Other information						
Segment Assets	86,28,69,237	84,51,40,187	34,34,62,822	-	-	2,05,14,72,246
	62,45,19,849	1,06,01,23,454	72,67,409	-	4,95,40,650	1,74,14,51,362
Segment Liabilities	40,08,28,943	33,44,07,563	2,61,55,121	-	54,10,63,004	1,30,24,54,631
	24,66,17,246	38,18,72,611	87,34,023	-	43,78,39,420	1,07,50,63,300
Capital Expenditure	11,42,81,835	41,39,391	-	-	-	11,84,21,226
	1,46,93,604	18,09,289	-	-	-	1,65,02,893
Depreciation	1,85,38,277	1,63,44,091	1,29,397	-	-	3,50,11,765
	3,41,09,015	65,12,520	78,738	-	-	4,07,00,273
Other non cash expenses (net of Income)	-	44,22,420	-	-	-	44,22,420
	95,12,082	77,359	-	-	-	95,89,441

(Figures in italics represent previous year)

The primary segmental reporting of the Group has been performed on the basis of the geographical segments (based on location of assets).

A. Primary Segmental Reporting for the year ended 31 March 2017

B. Secondary Segmental Reporting

The Group has only one business segment, which is providing services in the field of clinical research activities. There is no significant difference in the risks and rewards involved based on business segments.

Notes:

a. Segment accounting policies are in line with the accounting policy of the Company.

Ecron Acunova Limited
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Notes to the consolidated financial statements for the year ended 31 March 2017

b. Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter segment revenues. This does not include interest income on fixed deposits, gain on sale of investments and other income relating to extraordinary items.

c. Segment revenue resulting from transactions with other segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

d. Expenses that are directly identifiable with/allocable to segment are considered for determining the segment results. Finance cost has been excluded for the purpose of calculating segment result.

e. Segment assets and liabilities include those directly identifiable with the respective segments. This does not include assets and liabilities relating to items (income/expense) excluded in the calculation of segment results.

28. Dues to micro small and medium enterprises

As at 31 March 2017 there are no dues (March 31, 2016: ₹ Nil) to Micro and Small Enterprises that are reportable under The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. There are no interests due or outstanding on the same. The list of undertakings covered under MSMED Act, 2006 were determined by the Company on the basis of information available with the Company and have been relied upon by the Auditors.

Particulars	For the year ended Mar 31, 2017	For the year ended Mar 31, 2016
	₹	₹
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Act.	Nil	Nil

Ecron Acunova Limited
(Formerly known as Manipal Acunova Limited)

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

29. Revenue from operations includes reimbursements received for certain expenses incurred on projects invoiced separately to customers amounting ₹48,44,17,180 (31 March 2016 : ₹ 307,430,463)

30. Statement of Net Assets and Profit or Loss attributable to Owners and Minority Interest

Name of the entity	Share in Profit or Loss		Share in Net Assets	
	As % of Consolidated Profit/(Loss)	Amount ₹	As % of Consolidated Net Assets	Amount ₹
Parent				
Ecron Acunova Limited	96%	10,84,27,434	54%	81,29,41,362
Foreign Direct Subsidiaries				
Acunova Life Sciences Inc	115%	13,01,36,799	22%	32,60,33,943
Ecron Acunova Company Ltd	3%	39,10,227	1%	1,12,71,590
Ecron Acunova GmbH	-110%	(12,48,37,283)	22%	33,70,79,211
Acunova Life Sciences Ltd	0%	(3,66,488)	1%	93,04,858
Ecron Acunova Pte Ltd	-4%	(40,27,820)	0%	46,41,575
Total (a)	100%	11,32,42,869	100%	1,50,12,72,539
Less: Adjustments arising out of Consolidation		-		(75,22,54,926)
Less: Minority Interest		(20,65,590)		(20,28,887)
Consolidated Profit after Tax/ Net Assets		11,11,77,279		74,69,88,726

31. Prior year amounts have been regrouped/reclassified wherever necessary to conform to the current year's presentation.

For Sundar Srini& Sridhar
Chartered Accountants
Firm Registration No: 004201S

For and on behalf of Board of Directors of Ecron Acunova Limited

S. Sridhar
Partner
Membership No: 025504

Srinivasan H.R.
Director
DIN: 00130277

D.V.Ravi
Director
DIN: 00171603

Place: Bengaluru
Date: May 15, 2017

Ankita Tiwari
Company Secretary
Membership Number: A34067

Lalit Mahaptra
Chief Financial Officer

Navitas LLP			
Statement of Assets and Liabilities as at			
Particulars	Notes	Amount in ₹	
		March 31, 2017	March 31, 2016
CONTRIBUTION & LIABILITIES			
Partners' Funds			
Contribution - Capital Account	2.1	10,000,000	10,000,000
Partners' Current Account	2.2	719,724,763	396,029,556
Loan Funds			
Secured Loan - ICICI Cash Credit (Secured against fixed asset & current assets)		39,557,322	54,843,535
Unsecured Loan from Partners		-	-
Other Liabilities			
Sundry Creditors - For Capital Goods		1,524,850	2,478,181
Sundry Creditors - Trade / Services / Others		48,834,757	144,875,464
Deferred Revenue		33,165,448	24,164,191
Other Payable	2.3	12,348,572	38,271,770
Provisions			
a. Income Tax		130,553,811	248,035,838
b. Deferred Tax		89,121,836	81,326,002
c. Employee Benefits		26,524,705	16,619,870
d. Expenses		-	1,736,880
Total		1,111,356,064	1,018,381,287
ASSETS			
Fixed Assets			
Gross Block	2.4	809,243,111	929,017,506
Less: Accumulated Depreciation		(281,844,664)	(565,877,930)
Net Block		527,398,447	363,139,576
Capital work in progress		60,000,000	-
Current Assets			
Sundry Debtors	2.5	250,769,138	212,197,880
Cash & Cash Equivalents	2.6	11,450,801	26,438,821
Loans & Advances	2.7	261,737,678	416,605,010
Total		1,111,356,064	1,018,381,287
As per our report attached			
For Sundar Srini & Sridhar		For Navitas LLP	
Chartered Accountants			
Firm Registration No.: 0042015			
-sd-		-sd-	-sd-
S. Sridhar		N.S. Shobana	C. Gowri Shankar
Partner		Designated Partner	Designated Partner
Membership No.: 025504		DPIN: 01649318	DPIN: 00269690
Place : Chennai			
Date : May 17, 2017			

Navitas LLP			
Statement of Income & Expenditure for the year ended			
Particulars	Notes	Amount in ₹	
		March 31, 2017	March 31, 2016
Income			
Export Revenue		457,844,515	269,352,742
Domestic Revenue		488,696,847	660,215,081
Other Income		4,678,632	44,481
Total		951,219,994	929,612,304
Expenses			
Personnel Expenses	2.8	264,834,368	235,905,053
Administrative Expenses	2.9	11,605,140	13,658,044
Electricity Expenses		25,004,891	26,164,545
Repairs & Maintenance		36,428,725	32,513,662
Selling & Marketing Expenses		2,785,125	1,859,146
Audit Fees		600,000	600,000
Depreciation		76,198,258	159,757,662
Amortisation		-	2,495,326
Interest & Finance Charges		8,291,738	7,462,498
Other Expenses			
Cost of Licenses and Services		180,806,103	232,021,100
Professional Chages		22,290,798	5,670,361
Rent, Rates & Taxes		39,398,048	37,849,086
Travelling & Conveyance		21,811,585	24,341,502
Exchange Fluctuation Loss (Net)		7,620,605	2,590,305
Total		697,675,384	782,888,290
Profit before Tax		253,544,610	146,724,014
Less: Provision for Tax including arrears of earlier years		56,645,385	82,803,016
Less: Deferred Tax		7,795,834	(26,080,663)
Profit After Tax		189,103,391	90,001,661
Profit Transferred to Partners' Current Account		189,103,391	90,001,661
Profit Transferred to Reserves & Surplus		-	-
As per our report attached			
For Sundar Srini & Sridhar Chartered Accountants <i>Firm Registration No.: 0042015</i>		For Navitas LLP	
-sd- S. Sridhar Partner Membership No.: 025504		-sd- N.S. Shobana Designated Partner DPIN: 01649318	-sd- C. Gowri Shankar Designated Partner DPIN: 00269690
Place : Chennai Date : May 17, 2017			

Navitas LLP Cash Flow Statement for the year ended		
Particulars	Amount in ₹	
	March 31, 2017	March 31, 2016
<u>A) CASH FLOW FROM OPERATING ACTIVITIES</u>		
<u>Profit Before Tax</u>	253,544,610	146,724,014
Adjustments for		
Depreciation & Amortisation	76,198,258	162,252,988
(Profit)/ Loss on Sale of Asset	32,730	(12,516)
Impairment of asset	-	129,343
Bad debts	645	-
Interest Income	(4,672,446)	-
Interest Expense	8,291,738	7,462,498
Operating Profit before working Capital Changes	333,395,535	316,556,327
(Increase)/Decrease in Current Assets other than cash & cash equivalents	(26,487,523)	(128,872,432)
Increase/ (Decrease) in Current Liabilities	(105,748,015)	43,505,496
Direct Taxes paid, net of refunds	(31,344,460)	(58,058,513)
NET CASH USED IN OPERATING ACTIVITIES	169,815,537	173,130,878
<u>B) CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Fixed Assets	(240,534,163)	(201,339,002)
Sale of Fixed Assets	44,295	384,702,516
Interest Income	4,672,446	-
Increase in Capital Work in Progress	(60,000,000)	-
NET CASH USED IN INVESTING ACTIVITIES	(295,817,422)	183,363,514
<u>C) CASH FLOW FROM FINANCING ACTIVITIES</u>		
Interest Paid	(8,291,738)	(7,462,498)
Increase in partner's contribution	-	9,900,000
Increase / (Decrease) in Borrowings	(15,286,213)	(2,329,128)
Increase / (Decrease) in Unsecured Loans	-	(391,025,000)
Additions to / (Withdrawal from) partners' current account	134,591,816	47,034,550
NET CASH FLOW FROM FINANCING ACTIVITIES	111,013,865	(343,882,076)
Net Increase/(Decrease) in Cash & Cash equivalents	(14,988,020)	12,612,316
Add: Cash and Cash equivalent as at the beginning of the year	26,438,821	13,826,505
Cash & Cash equivalent as at the end of the year	11,450,801	26,438,821
As per our report attached		
<div> <div> For Sundar Srini & Sridhar Chartered Accountants Firm Registration No.: 0042015 -sd- S. Sridhar Partner Membership No.: 025504 Place : Chennai Date : May 17, 2017 </div> <div> For Navitas LLP -sd- N.S. Shobana Designated Partner DPIN: 01649318 </div> <div> -sd- C. Gowri Shankar Designated Partner DPIN: 00269690 </div> </div>		

Navitas LLP
Notes forming part of Financial Statements
for the year ended March 31, 2017

Significant Accounting Policies and Notes on Accounts

1.1 Disclosure of Accounting Policies

Basis of preparation of financial statements

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Limited Liability Partnership Act, 2008. The financial statements have been prepared under the historical cost convention on the accrual basis of accounting except for certain financial instruments which are measured at fair values.

Use of Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions the LLP may undertake in future, actual results ultimately may differ from the estimates. Any revision to accounting estimates is recognized prospectively in future periods.

1.2 Depreciation Accounting

Fixed assets are depreciated on Straight Line Method (SLM) over the useful life of the assets as prescribed under Schedule II to the Companies Act, 2013. For the assets acquired / disposed during the year, depreciation has been charged on pro-rata basis.

1.3 Revenue Recognition

Software & Consultancy Revenue

The Contracts between the LLP and its customers are either time or material contracts or fixed price contracts.

a) Revenue from fixed-price contracts is recognized according to the milestones achieved as specified in the contracts on the Proportionate Completion Method based on the work completed. Any anticipated losses expected upon the contract completion are recognized immediately. Changes in job performance, conditions and estimated profitability may result in revisions and corresponding revenues and costs are recognized in the period in which such changes are identified.

b) In respect of time and material contract, revenue is recognized in the period in which the services are provided. Unbilled revenue represents cost and earnings in excess of billings while deferred revenue represents the billing in excess of cost and earnings.

c) Revenue from product sale and licensing arrangements are recognized on delivery and installation.

1.4 Accounting for Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation. Fixed assets are capitalized at acquisition cost, which comprises of freight, installation cost, duties, taxes, and other directly attributable cost of bringing the assets to its working condition for the intended use.

1.5 Accounting for effects in foreign exchange rates

a) **Conversion** - All monetary items denominated in foreign currency are reflected at the closing exchange rates prevailing on the Statement of Assets and Liabilities date; the resultant exchange differences are recognized in the Statement of Income & Expenditure. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

b) **Initial Recognition** - Income and Expenditure items involving foreign exchange are translated at the exchange rate prevailing on the dates of transaction.

Navitas LLP
Notes forming part of Financial Statements
for the year ended March 31, 2017

c) **Exchange Differences** - Exchange differences arising on foreign exchange transactions settled during the period are recognized in the Statement of Income & Expenditure for the period.

1.6 Accounting for Retirement Benefits

a. Provident Fund

The LLP makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the services are rendered by the employee.

b. Gratuity

Gratuity is a defined benefit scheme and is accrued based on actuarial valuations at the Statement of Assets and Liabilities date, carried out by an independent actuary.

c. Leave Encashment

Provision for leave encashment benefits is made based on the actuarial valuation as at the Statement of Assets and Liabilities date.

1.7 Accounting for taxes on income

Current Tax

Provision for Income Tax is determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax

Deferred tax reflects the effect of timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. Deferred Tax Assets are recognized only if there is reasonable certainty of their realization.

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Components of Deferred Tax Liability / (Asset)		
Fixed Assets	93,711,671	81,326,002
Provision for gratuity and leave encashment	(4,589,835)	---
Net Deferred Tax Liability / (Asset)	89,121,836	81,326,002

The Deferred Tax Liability provided during the FY 2016-17 is ₹ 7,795,834 and Deferred Tax Liability provided during the FY 2015-16 is ₹ (26,080,663)

1.8 Intangible Assets

Software Product Development Cost

Internally developed software products are valued based on costs directly attributable to the development of such software and allocated indirect cost and they are capitalized individually once their technical feasibility is established in accordance with the requirements of Accounting Standard 26, 'Intangible Assets'. Expenses incurred during research phase till the establishment of commercial feasibility is charged off to Statement of Income & Expenditure. Products capitalized are being amortized over a period of three years from the launch date and the unamortized product costs as at Statement of Assets and Liabilities are shown under Assets separately.

Navitas LLP
Notes forming part of Financial Statements
for the year ended March 31, 2017

2. Notes to the accounts

2.1 Contribution - Capital Account

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	₹	₹
<u>Partner's Contribution</u>		
TAKE Solutions Ltd	9,999,000	9,999,000
TAKE Business Cloud Pvt Ltd	1,000	1,000
Total	10,000,000	10,000,000

2.2 Partners' Current Account

Particulars	As at	As at
	March 31, 2017	March 31, 2016
	₹	₹
Opening Balance	396,029,556	258,993,345
Current Period additions	189,103,391	90,001,661
(Withdrawal from)/Additions to Current Account	134,591,816	47,034,550
Closing Balance	719,724,763	396,029,556

2.3 Other Payable

Particulars	As at	As at
	March 31, 2017	March 31, 2016
	₹	₹
Statutory payables	8,508,930	35,322,715
Advance received from customers	3,835,285	2,949,055
Others	4,357	-
Total	12,348,572	38,271,770

Navitas LLP
Notes forming part of Financial Statements
for the year ended March 31, 2017

2.4 Fixed Assets

	Fixed Assets	Gross Block					Accumulated Depreciation				Net Block	
		Balance as at 1st April 2016	Additions	(Disposals)	Transfer / Removal from Books	Balance as at 31st March 2017	Balance as at 1st April 2016	Depreciation charge for the year	On disposals/ Removal from Books	Balance as at 31st March 2017	Balance as at 31st Mar 2016	Balance as at 31st Mar 2017
		in Rs.	in Rs.	in Rs.	in Rs.	in Rs.	in Rs.	in Rs.	in Rs.	in Rs.	in Rs.	in Rs.
a	Tangible Assets											
	Furniture and Fixtures	62,309,384	252,420	(143,781)	-	62,418,023	26,457,520	7,302,542	(66,756)	33,693,306	35,851,864	28,724,717
	Office equipment	95,160,045	57,279	-	-	95,217,324	92,029,657	1,333,070	-	93,362,727	3,130,388	1,854,597
	Computers & System Software	569,447,086	238,971,684	-	(200,124,533)	608,294,237	246,753,351	66,555,810	(200,124,526)	113,184,635	322,693,735	495,109,602
	Total	726,916,515	239,281,383	(143,781)	(200,124,533)	765,929,584	365,240,528	75,191,422	(200,191,282)	240,240,668	361,675,987	525,688,916
b	Intangible Assets											
	Computer software	164,549,635	1,252,780	-	(160,040,244)	5,762,171	163,086,046	1,006,836	(160,040,242)	4,052,640	1,463,589	1,709,531
	Capitalised Software Product cost	37,551,356	-	-	-	37,551,356	37,551,356	-	-	37,551,356	-	-
	Total	202,100,991	1,252,780	-	(160,040,244)	43,313,527	200,637,402	1,006,836	(160,040,242)	41,603,996	1,463,589	1,709,531
c	Capital Work In Progress											
		-	295,500,000	-	(235,500,000)	60,000,000	-	-	-	-	-	60,000,000
	Total	-	295,500,000	-	(235,500,000)	60,000,000	-	-	-	-	-	60,000,000
	Grand Total	929,017,506	536,034,163	(143,781)	(595,664,777)	869,243,111	565,877,930	76,198,258	(360,231,524)	281,844,664	363,139,576	587,398,447

Notes forming part of Financial Statements for the year ended March 31, 2017

2.5 Sundry Debtors

Particulars	As at	As at
	March 31, 2017	March 31, 2016
	₹	₹
Debts outstanding for a period exceeding six months	27,111,230	15,022,368
Other Debts	223,657,908	197,175,512
Total	250,769,138	212,197,880

2.6 Cash & Cash Equivalents

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	₹	₹
Balances with bank in current and deposit accounts	11,353,107	26,107,114
Cash on hand	97,694	331,707
Total	11,450,801	26,438,821

2.7 Loans & Advances

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	₹	₹
Security deposits	19,862,467	19,862,467
Unbilled Receivable	21,672,585	9,456,341
Prepaid Expense	23,135,209	16,025,966
Taxes Receivable	173,469,429	289,390,102
Advance to suppliers	22,901,204	80,279,107
Advance to employees	460,872	1,361,268
Deferred Finance Charges	211,062	198,345
Interest Receivable	24,851	31,414
Total	261,737,678	416,605,010

Notes forming part of Financial Statements for the year ended March 31, 2017

2.8 Personnel Expenses

Particulars	For the Year ended	For the Year ended
	Mar 31, 2017	Mar 31, 2016
	₹	₹
Salaries and incentives	219,123,498	205,335,332
Contributions to provident fund	10,287,428	10,000,115
Gratuity and other benefits	12,018,362	6,400,521
Staff welfare expenses	23,405,080	14,169,085
Total	264,834,368	235,905,053

2.9 Administrative Expenses

Particulars	For the Year ended	For the Year ended
	Mar 31, 2017	Mar 31, 2016
	₹	₹
Communication Expenses	5,819,575	6,308,167
Insurance	417,745	417,524
Bank Charges	1,067,867	847,839
Other Expenses	4,299,953	6,084,514
Total	11,605,140	13,658,044

3 Related Party Disclosure for the year ended March 31, 2017:**List of Related Parties**

Name of the Related Party	Relationship
TAKE Solutions Limited, India	Partner
TAKE Business Cloud Private Limited, India	Partner
Navitas, Inc., USA	Fellow Subsidiary
TAKE Enterprise Services Inc., USA	Fellow Subsidiary
Navitas Life Sciences Limited, UK	Fellow Subsidiary
Navitas Life Sciences Inc, USA	Fellow Subsidiary
Towell TAKE Solutions LLC, Sultanate of Oman	Fellow Subsidiary
TAKE Solutions Information Systems Pte Ltd, Singapore	Fellow Subsidiary
Intelent Inc, USA	Fellow Subsidiary
TAKE Innovations Inc, USA	Fellow Subsidiary
Ecron Acunova Limited, India	Fellow Subsidiary
Ecron Acunova GmbH, Germany	Fellow Subsidiary
Mirnah Technology Systems Limited, Saudi Arabia	Fellow Subsidiary

Notes forming part of Financial Statements for the year ended March 31, 2017

Transactions with Related Party

Revenue

Name of the Related Party	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Navitas, Inc., USA	148,702,872	89,016,665
TAKE Enterprise Services Inc., USA	2,866,030	5,260,079
Navitas Life Sciences Limited, UK	5,630,565	2,007,764
Navitas Life Sciences, Inc., USA	3,246,548	---
TAKE Solutions Information Systems Pte Ltd, Singapore	---	145,418
Mirnah Technology Systems Limited, Saudi Arabia	3,603,003	13,732,189
TAKE Solutions Limited, India	24,000,000	24,000,000
Towell TAKE Solutions LLC, Sultanate of Oman	564,172	---
Intelent Inc, USA	4,476,441	---
TAKE Innovations Inc, USA	79,997,040	---
Applied Clinical Intelligence, LLC(ceased w.e.f 30th June 2015)	---	1,015,344
Ecron Acunova Limited, India	1,296,638	---
Ecron Acunova GmbH, Germany	888,030	---
APA Engineering Private Limited, India	---	---

Expense

Name of the Related Party	As at March 31, 2017 ₹	As at March 31, 2016 ₹
TAKE Solutions Limited, India	15,000,000	---

Accounts Receivable

Name of the Related Party	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Navitas, Inc., USA	86,308,988	52,521,868
TAKE Enterprise Services Inc., USA	379,418	756,909
Navitas Life Sciences Limited, UK	754,371	2,169,834
Intelent Inc, USA	636,286	---
Ecron Acunova Limited, India	243,750	---
TAKE Innovations Inc, USA	79,997,040	---
Mirnah Technology Systems Limited, Saudi Arabia	3,415,801	7,028,503

Notes forming part of Financial Statements for the year ended March 31, 2017

Accounts Payable

Name of the Related Party	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Navitas, Inc., USA	1,978,749	77,557,524
Towell TAKE Solutions LLC, Sultanate of Oman	---	99,820
Navitas Life Sciences Limited, UK	---	1,020,796
TAKE Solutions Limited, India	15,750,000	---

4. Segment Reporting:

Primary Segment Reporting

The LLP has identified business services as its primary segment and geographic segments as its secondary segment. The business segments with effective from FY 2017 will be classified as Functional Services and Technology Services.

Functional services refer to consulting on and performance of core operational blocks of function on behalf of the customers. In life sciences domain, these span the functions of clinical, regulatory, and medical/safety operations that are required to either bring drugs and devices to market post approval or ensure keeping them on market by complying with statutory requirements across the globe.

Technology services includes engineering of technology products and/or solutions either proprietary or in partnership with strategic enterprise software vendors that would help solve a business problem relating to compliance, addressing a situation of non-compliance, or enabling process and operational efficiencies, across multifunctional teams within the enterprise as well as their partners & stakeholders. In supply chain domain, these span the functions of engineering services, sourcing and procurement.

Revenue and Expenses that are directly identifiable with the Segments have been disclosed accordingly. Certain Income and Expenses which are not specifically allocable to individual segments have been disclosed as “Unallocated Corporate Income” and “Unallocated Corporate Expenses” respectively.

Notes forming part of Financial Statements for the year ended March 31, 2017

Primary Segment Information - for the year ended March 31, 2017 - Amount in ₹			
Particulars	Business Segments		Total
	Functional Services	Technology Services	
Revenue	317,663,352	628,878,010	946,541,362
Segment Result	223,187,726	327,365,247	550,552,973
Unallocated Corporate Income	-	-	4,678,625
Unallocated Corporate Expense	-	-	217,196,989
Operating Profit	-	-	338,034,609
Interest Expenses	-	-	8,291,738
Income Taxes	-	-	64,441,219
Net Profit After Tax	-	-	189,103,391

Secondary segment reporting

The secondary segment reporting of the LLP has been performed on the basis of geographical segments based on location of Customers

Location of Customers	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Asia Pac	516,950,048	687,744,576
USA	415,428,143	234,464,512
Rest of the World	14,163,171	7,358,735

5. Leases:

Obligation under Non-cancellable operating lease:

Minimum Lease Payments	As at Mar 31, 2017 ₹	As at Mar 31, 2016 ₹
Not later than one year	30,762,014	29,301,619
Later than one year but not later than five years	91,655,418	96,979,613
Later than five years	---	---

Notes forming part of Financial Statements for the year ended March 31, 2017

6. Due to Micro Small and Medium Enterprises

The Management has initiated the process of identifying enterprises which have provided goods and services to the LLP and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2017 has been made in the financial statements based on information received and available with the LLP. The LLP has not received any claim for interest from any supplier under the said Act. In the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the aforesaid Act is not expected to be material.

Disclosure required under the Micro, Small and Medium Development Act, 2006

- a. Delayed payments due as at the end of year on account of Principal - ₹ Nil/- (₹ Nil/-)
- b. Total Interest paid on all delayed payments during the year under the provision of the act - ₹ Nil/- (₹ Nil/-) Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act - ₹ Nil/- (₹ Nil/-)
- c. Interest accrued but not due - ₹ Nil/- (₹ Nil/-)
- d. Total Interest due but not paid - ₹ Nil/- (₹ Nil/-)

7. Contingent Liabilities not provided for is ₹ Nil/- (₹ Nil/-)

8. Previous year figures have been regrouped / reclassified wherever necessary to conform to the current year presentation.

For Sundar Srini & Sridhar
Chartered Accountants
Firm Registration No.: 0042015

For Navitas LLP

-sd-
S. Sridhar
Partner
Membership No.: 025504

-sd-
N.S. Shobana
Designated Partner
DPIN: 01649318

-sd-
C.Gowri Shankar
Designated Partner
DPIN: 00269690

Place : Chennai
Date : May 17,2017

TAKE Solutions Global Holdings Pte Ltd Consolidated Balance Sheet			
Particulars	Note	Amount in USD	
		As at Mar 31, 2017	As at Mar 31, 2016
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	2.1	43,143,200	39,543,200
(b) Reserves and surplus	2.2	50,214,823	37,810,588
2. Minority interest		5,337,326	5,195,325
3. Non-current liabilities			
(a) Long-term borrowings	2.3	5,377,000	7,030,000
(b) Deferred tax liabilities (Net)		2,127,531	1,848,611
(c) Other long-term liabilities	2.4	403,811	397,935
(d) Long-term provisions	2.5	969,912	994,247
4. Current liabilities			
(a) Short-term borrowings	2.6	27,260,000	24,260,380
(b) Trade payables		7,324,031	4,108,870
(c) Other current liabilities	2.7	6,394,534	7,382,011
(d) Short-term provisions	2.8	2,118,159	524,540
TOTAL		150,670,327	129,095,707
II. ASSETS			
1. Non-current assets			
(a) Fixed assets	2.9		
(i) Tangible assets		13,741,973	10,316,587
(ii) Intangible assets		15,285,359	16,508,618
(iii) Intangible assets under development		424,000	-
(b) Non-current investments	2.10	950,000	2,950,000
(c) Deferred tax assets (net)		56,147	17,835
(d) Long-term loans and advances	2.11	695,406	674,600
2. Goodwill on consolidation		26,522,420	28,917,177
3. Current assets			
(a) Inventories	2.12	2,002,623	2,611,639
(b) Trade receivables	2.13	56,666,640	37,175,006
(c) Cash and Bank Balances	2.14	8,595,437	9,129,196
(d) Short-term loans and advances	2.15	25,694,839	20,752,961
(e) Other current assets	2.16	35,483	42,088
TOTAL		150,670,327	129,095,707
Significant Accounting Policies and Notes to the Accounts	1 & 2		

"As per our report of even date"

For CNGSN & Associates LLP
Chartered Accountants
Firm Registration No.: 0049155

For and on behalf of the Board of Directors

-sd-
C.N. GANGADARAN
Partner
Membership No.: 011205

-sd-
Director

-sd-
Director

Place : Chennai
Date : May 17, 2017

TAKE Solutions Global Holdings Pte Ltd Consolidated Statement of Profit and Loss for the year ended			
Particulars	Note	Amount in USD	
		Mar 31, 2017	Mar 31, 2016
I. Revenue from operations	2.17	146,819,572	117,031,258
II. Other income	2.18	256,288	3,009,782
III. Total Revenue		147,075,860	120,041,040
IV. Expenses:			
Cost of revenue	2.19	39,110,204	27,134,125
Employee benefit expenses	2.20	41,414,604	35,316,539
Finance cost	2.21	2,333,577	2,006,908
Depreciation	2.9	3,280,790	1,075,186
Amortization	2.9	7,886,879	7,519,828
Other expenses	2.22	36,877,820	31,516,295
Total expenses		130,903,874	104,568,881
V. Profit before tax		16,171,986	15,472,159
VI. Tax expense:			
(1) Current tax		1,854,245	323,798
(2) Short / (Excess) provision for earlier years		(35,735)	895,906
(3) Deferred tax		(629,824)	(16,380)
VII. Profit after tax before minority interest		14,983,300	14,268,835
VIII. Minority interest		210,071	566,555
IX. Profit for the year after minority interest		14,773,229	13,702,280
Significant Accounting Policies and Notes to the Accounts	1 & 2		

"As per our report of even date"

For CNGSN & Associates LLP

Chartered Accountants

Firm Registration No.: 0049155

For and on behalf of the Board of Directors

-sd-

C.N. GANGADARAN

Partner

Membership No.: 011205

-sd-

Director

-sd-

Director

Place : Chennai

Date : May 17, 2017

TAKE Solutions Global Holdings Pte Ltd Consolidated Cash Flow Statement for the year ended		
Particulars	Amount in USD	
	Mar 31, 2017	Mar 31, 2016
Cash flows from operating activities		
Profit/(Loss) for the year	16,171,986	15,472,159
Add: Depreciation	3,280,790	1,075,186
Add: Amortisation	7,886,879	7,519,828
Add: Interest Expense	2,333,577	2,006,908
Add: Interest Income	(150)	(2,306)
Add: Foreign Exchange (Gain)/Loss-net	(139,061)	(84,470)
Add: Bad Debts - written off	29,072	44,551
Operating Profit/Loss before working capital changes	29,563,093	26,031,856
(Increase)/ Decrease in Current Assets	(23,678,830)	(2,761,601)
Increase / (Decrease) in Current Liabilities	2,795,215	(1,356,392)
(Increase)/ Decrease in Non-Current Assets	(20,806)	(464,090)
Increase / (Decrease) in Non-Current Liabilities	(18,459)	294,518
Cash from /(used) in Operating Activities	8,640,213	21,744,291
Direct tax	(73,038)	(8,136)
Net cash from /(used) in Operating Activities	8,567,175	21,736,155
Cash flows from Investing activities		
Purchase of Fixed Assets - Net	(6,609,365)	(9,635,275)
Product Development Expenses	(7,297,164)	(8,881,898)
Disposal of fixed assets	11,359	-
(Increase) / Decrease In Non-Current Investments	2,000,000	(2,200,000)
(Increase) / Decrease In Goodwill on consolidation	2,394,757	583,869
Adjustments on account of disposal of investments/merger	-	(1,986,219)
Interest Income	150	2,306
Net cash from/(used) in Investing Activities	(9,500,263)	(22,117,217)
Cash flows from Financing activities		
Increase / (Decrease) in Borrowings	1,346,620	(843,100)
Proceeds from Issue of Share Capital	3,600,000	4,450,000
Movement in Minority Interest	142,001	(3,032,199)
Net Movement in Reserve on account of Consolidation	26,165	90,838
Interest Expense	(2,333,577)	(2,006,908)
Net cash from/(used) financing Activities	2,781,209	(1,341,369)
Effect on Foreign Currency Exchange Rates	(2,381,880)	(1,257,411)
Net change in Cash and Bank Balances	(533,759)	(2,979,842)
Cash and Bank Balances at the beginning of the year	9,129,196	12,109,038
Cash & Bank Balances at the end of the year	8,595,437	9,129,196

"As per our report of even date"

For CNGSN & Associates LLP

Chartered Accountants

Firm Registration No.: 0049155

For and on behalf of the Board of Directors

-sd-

C.N. GANGADARAN

Partner

Membership No.: 011205

-sd-

Director

-sd-

Director

Place : Chennai

Date : May 17, 2017

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

1. Significant Accounting Policies

1.1. Basis of Preparation of financial statements

The Consolidated Financial Statements of TAKE Solutions Global Holdings Pte Ltd and its subsidiaries (The Group) are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2. Principles of Consolidation

The financial statements of the subsidiary companies used for consolidation are drawn up to the same reporting date as of the company.

The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. All material intercompany transactions, balances and unrealized surpluses and deficits on transactions between group companies are eliminated. Consistency in adoption of accounting policies among all group companies is ensured to the extent practicable. Separate disclosure is made for Minority Interest.
- b) The excess of cost to the company of its investments in subsidiary companies over its share of equity of the subsidiary companies at the dates on which the investments in subsidiary companies are made, is recognized as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment, is in excess of cost of investment of the company, it is recognized as 'Capital Reserve' in the consolidated financial statements.
- c) Minority interest in the net assets of consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investment.
- d) Exchange difference resulting from the difference due to translation of foreign currency assets and liabilities in subsidiaries is disclosed as foreign currency translation reserve.

1.3. Use of Estimates

The presentation of Financial Statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions that the Company may undertake in future, actual results ultimately may differ from the estimates. Any revision to accounting estimates is recognized prospectively in future periods.

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

1.4. Significant Accounting Policies

The significant accounting policies pertaining to the principal business segments of the company are set out below.

1.5. Revenue Recognition

1.5.1. Software and Consultancy Revenue

The Contracts between the Company and its customers are either Time and Material contracts or Fixed Price contracts.

- a. Revenue from fixed price contract is recognized according to the milestones achieved as specified in the contracts on the Proportionate Completion method based on the work completed. Any anticipated losses expected upon the contract completion are recognized immediately. Changes in job performance, conditions and estimated profitability may result in revisions and corresponding revenues and costs are recognized in the year in which such changes are identified.
- b. In respect of time and material contract, revenue is recognized in the year in which the services are provided. Unbilled revenue represents cost and earnings in excess of billings while deferred revenue represents the billing in excess of cost and earnings.
- c. Revenue from product sale and licensing arrangements are recognized on delivery and installation.

1.5.2. Sale of IT Infrastructure and Support Services

Income from sale of IT Infrastructure is recognized upon completion of sale. Income from support services is recognized upon rendering of the services. Income from maintenance contracts relating to the year is recognized when the contracts are entered into on a time proportionate basis.

1.5.3. Revenue from E-Business Solutions

Revenue is recognized when invoices are raised and are accounted net of trade discounts, rebates, taxes and duties.

1.5.4. Other Income

- a) Interest income is recognized using time proportion method based on rates implicit in the transaction.
- b) Dividend Income is recognized when the company's right to receive dividend is established.
- c) Miscellaneous income and other income is recognized on accrual basis when there is no uncertainty of realization.

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

1.6. Cash Flow Statement

Cash Flows are reported using the Indirect Method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The Cash Flows from regular revenue generating, investing and financing activities of the company are segregated. The Cash Flow Statement forms part of the financial statements.

1.7. Software Product Development Cost

Internally developed software products are valued based on costs directly attributable to the development of such software and allocated indirect cost and they are capitalised individually once their technical feasibility is established in accordance with the requirements of Accounting Standard 26, 'Intangible Asset'.

Expenses incurred during research phase till the establishment of commercial feasibility is charged off to Statement of Profit and Loss.

Products capitalised are being amortized over a period of three to five years from the launch date and the unamortised product costs as at Balance Sheet date are shown under Assets separately.

Amortisation of capitalised software development cost for the year ended March 31, 2017 amounted to USD 7,889,879/-.

1.8. Foreign Exchange Transactions/ Translation Reserve

- i) All monetary items denominated in foreign currency are reflected at the closing exchange rates prevailing on the Balance Sheet date; the resultant exchange differences are recognized in the Statement of Profit and Loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- ii) Income and expenditure items involving foreign exchange are translated at the exchange rate prevailing on the dates of transaction.
- iii) Exchange differences, if any arising on account of fluctuations in foreign exchange has been duly reflected in the Statement of Profit and Loss.
- iv) For the purposes of consolidation the operations of overseas subsidiaries are considered as non-integral in nature and accordingly their assets and liabilities of subsidiaries are translated at the period-end exchange rate and income and expenditure items are translated at the average rates during the period. The resultant translation adjustment is reflected as a separate component of Shareholders' funds as 'Foreign currency translation reserve'. Upon dissolution/ disposal of subsidiary, the balance in foreign currency translation reserve in relation to that subsidiary will be transferred to Statement of Profit and Loss.

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

1.9. Depreciation

Depreciation is provided on a pro-rata basis on the Straight Line Method (SLM) over the estimated useful lives of the assets determined as follows:

Asset	Life
Computers and purchased software	3-6 years
Furniture, Fixtures and Equipment	4-10 years
Automobiles	4-10 years
Leasehold improvements	Period of Lease
Building	60 years

1.10. Goodwill

Goodwill arising on consolidation/ acquisition of assets is not amortised. It is tested for impairment on a periodic basis and written off, if found impaired.

1.11. Taxes on Income

Tax expenses comprising of both current tax and deferred tax are included in determining the net results for the period.

Current Tax

Taxes on income for the current period are determined on the basis of local Statutory Tax Laws of the respective countries.

Deferred Tax

Deferred Tax reflects the effect of timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. As a matter of prudence deferred tax assets are recognised and carried forward only to the extent, there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

1.12. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when an enterprise 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, 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.

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2. Notes forming part of Financial Statements

2.1. Share Capital

2.1.1. The Particulars of authorized, issued, subscribed & fully paid up Share Capital:

Particulars	As at		As at	
	Mar 31, 2017		Mar 31, 2016	
	Number	USD	Number	USD
Authorised				
Equity Shares of SGD 1 each	55,054,600	43,143,200	50,200,600	39,543,200
Issued, Subscribed & Paid up fully				
Equity Shares of SGD 1 each	55,054,600	43,143,200	50,200,600	39,543,200
Total	55,054,600	43,143,200	50,200,600	39,543,200

2.1.2. Reconciliation of the number of shares outstanding at the beginning and at the end of the period is as given below:

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
Equity Shares outstanding at the beginning of the year	50,200,600	44,109,100
Changes during the year	4,854,000	6,091,500
Equity Shares outstanding at the end of the year	55,054,600	50,200,600

2.1.3. Holding Company

55,054,600 Equity Shares (50,200,600) are held by TAKE Solutions Limited, India, the holding company.

2.1.4. Equity Shareholder holding more than 5% of equity shares along with the number of equity share held at end of the period:

Name of the Shareholder	As at		As at	
	Mar 31, 2017		Mar 31, 2016	
	Number	% of Holding	Number	% of Holding
TAKE Solutions Limited, India	55,054,600	100	50,200,600	100

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.2. Reserves & Surplus

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Capital Reserve on Consolidation		
Opening balance	249,085	189,048
Add: Transfer during the period	-	60,037
Closing Balance	249,085	249,085
Foreign Currency Translation Reserve	(351,465)	2,030,415
Legal Reserve		
Opening balance	196,405	165,604
Add: Transfer during the year	13,279	15,684
Add : Foreign Exchange Fluctuation	12,886	15,117
Closing balance	222,570	196,405
Surplus (Balance in Statement of profit and loss)		
Opening balance	35,334,683	23,634,306
Add: Net Profit/(Loss)-net for the quarter	14,773,229	13,702,280
Amount available for appropriations	50,107,912	37,336,586
Less: Adjustments on account of merger/disposal of Subsidiary	-	1,986,219
Less: Transfer of legal reserve	13,279	15,684
Closing Balance	50,094,633	35,334,683
Total	50,214,823	37,810,588

2.3. Long-Term Borrowings

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Term Loans - from Banks - Secured	5,377,000	7,030,000
Total	5,377,000	7,030,000

Axis Bank Limited

Interest - The rate of interest on the outstanding amount is 3 months LIBOR plus 2.50% p.a. In case of any default in the payment of principal or interest, interest shall be charged at the rate of 2% p.a. on the total outstanding amount under the facility.

Tenure - Five years subject to renewal of limit at annual intervals. The repayment of principal has started from April 18, 2016 and shall get recharged completely on April 15, 2021. Repayment of principal and interest is yearly and quarterly intervals respectively.

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

Security - Secured by Standby Letter of Credit (SBLC) issued by Axis Bank Limited, Singapore Branch.

2.4. Other Long-Term Liabilities

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Deferred Revenue	403,811	397,935
Total	403,811	397,935

2.5. Long-Term Provisions

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Provision for employee benefits	969,912	994,247
Total	969,912	994,247

2.6. Short-Term Borrowings

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Secured		
Loans repayable on demand - from banks	24,260,000	24,260,000
	24,260,000	24,260,000
Unsecured		
Loans repayable on demand		
Loans and advances from related parties	3,000,000	-
Other loans and advances	-	380
	3,000,000	380
Total	27,260,000	24,260,380

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.7. Other Current Liabilities

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Current maturities of long term debt	1,653,000	1,226,317
Deferred Revenue	3,651,333	4,831,398
Statutory payables	108,593	120,487
Advance received from customers	289,184	386,829
Interest accrued and due on borrowings	-	2,921
Employee related liabilities	626,241	563,459
Other payables	66,183	250,600
Total	6,394,534	7,382,011

2.8. Short-Term Provisions

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Provision for employee benefits	64,778	82,552
Provision for taxes	2,053,381	307,909
Others	-	134,079
Total	2,118,159	524,540

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.9. Fixed Assets

The changes in the carrying value of fixed assets for the year ended Mar 31, 2017 are as follows;

S. No.	Particulars	Gross Block						Accumulated Depreciation						Net Block
		Balance as at Apr 01, 2016	Additions	Additions on Acquisitions	Deletions	Translation Adjustments	Balance as at Mar 31, 2017	Balance as at Apr 01, 2016	Depreciation/ Amortization for the year	Additions on Acquisitions	Deletions	Translation Adjustments	Balance as at Mar 31, 2017	Balance as at Mar 31, 2017
		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
(a)	Tangible Assets													
	Buildings	80,537	-	-	-	(10,537)	70,000	80,537	-	-	-	(10,537)	70,000	-
	Office Equipment	4,581,310	1,433,241	-	(14,191)	148	6,000,508	1,070,518	1,323,112	-	(14,191)	147	2,379,586	3,620,922
	Furniture and Fixtures	3,160,061	1,604,766	-	(664,269)	(5,271)	4,095,287	1,732,797	344,868	-	(655,359)	(5,133)	1,417,173	2,678,114
	Vehicles	394,761	24,403	-	(46,230)	143	373,077	322,973	32,338	-	(46,230)	120	309,201	63,876
	Computer	7,622,325	3,546,955	-	(554,444)	(29,613)	10,585,223	2,315,582	1,467,888	-	(551,995)	(25,313)	3,206,162	7,379,061
	Sub Total	15,838,994	6,609,365	-	(1,279,134)	(45,130)	21,124,095	5,522,407	3,168,206	-	(1,267,775)	(40,716)	7,382,122	13,741,973
(b)	Intangible Assets													
	Computer software	1,070,290	-	-	-	5	1,070,295	952,872	112,584	-	-	3	1,065,459	4,836
	Goodwill	2,870,670	-	-	-	(96,964)	2,773,706	-	-	-	-	-	-	2,773,706
	Product Development Expenses	33,369,487	6,873,164	-	-	-	40,242,651	19,848,957	7,886,879	-	-	(2)	27,735,834	12,506,817
	Sub Total	37,310,447	6,873,164	-	-	(96,959)	44,086,652	20,801,829	7,999,463	-	-	1	28,801,293	15,285,359
(c)	Intangible assets under Development	-	424,000	-	-	-	424,000	-	-	-	-	-	-	424,000
	Sub Total	-	424,000	-	-	-	424,000	-	-	-	-	-	-	424,000
	Grand Total	53,149,441	13,906,529	-	(1,279,134)	(142,089)	65,634,747	26,324,236	11,167,669	-	(1,267,775)	(40,715)	36,183,415	29,451,332

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.9. Fixed Assets (Continued)

The changes in the carrying value of fixed assets for the year ended Mar 31, 2016 are as follows;

S. No.	Particulars	Gross Block						Accumulated Depreciation						Net Block
		Balance as at Apr 01, 2015	Additions	Additions on Acquisitions	Deletions	Translation Adjustments	Balance as at Mar 31, 2016	Balance as at Apr 01, 2015	Depreciation charge for the year	Additions on Acquisitions	Deletions	Translation Adjustments	Balance as at Mar 31, 2016	Balance as at Mar 31, 2016
		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
a)	Tangible Assets													
	Buildings	83,171	-	-	-	(2,634)	80,537	82,225	959	-	-	(2,647)	80,537	-
	Office Equipment	1,639,901	2,976,534	-	(35,417)	292	4,581,310	450,601	653,308	-	(33,679)	288	1,070,518	3,510,792
	Furniture and Fixtures	2,276,030	1,334,961	-	(449,872)	(1,058)	3,160,061	2,018,117	29,251	-	(313,484)	(1,087)	1,732,797	1,427,264
	Vehicles	443,315	45,201	-	(94,058)	303	394,761	340,366	32,566	-	(50,215)	256	322,973	71,788
	Computer	3,227,632	5,271,779	6,882	(876,337)	(7,631)	7,622,325	2,772,093	144,491	3,579	(598,413)	(6,168)	2,315,582	5,306,743
	Total	7,670,049	9,628,475	6,882	(1,455,684)	(10,728)	15,838,994	5,663,402	860,575	3,579	(995,791)	(9,358)	5,522,407	10,316,587
b)	Intangible Assets													
	Computer software	1,380,739	-	-	(310,459)	10	1,070,290	1,048,708	214,613	-	(310,459)	10	952,872	117,418
	Goodwill	2,914,454	-	-	(19,544)	(24,240)	2,870,670	-	-	-	-	-	-	2,870,670
	Product Development Expenses	32,280,884	8,881,898	-	(7,793,295)	-	33,369,487	19,616,596	7,519,828	-	(7,287,467)	-	19,848,957	13,520,530
	Total	36,576,077	8,881,898	-	(8,123,298)	(24,230)	37,310,447	20,665,304	7,734,441	-	(7,597,926)	10	20,801,829	16,508,618
	Grand Total	44,292,937	18,517,173	6,882	(9,632,593)	(34,958)	53,149,441	26,328,706	8,595,016	3,579	(8,593,717)	(9,348)	26,324,236	26,825,205

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.10. Non-Current Investments

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Investments in Equity Instruments		
Investments in Equity Instruments - Others	750,000	2,250,000
Investments in Preference Stock		
Investments in Preference Stock	200,000	700,000
Total	950,000	2,950,000

Details of Non-Current Investments						
Particulars	Subsidiary / Associate / JV/ Controlled Entity / Others	Quoted / Unquoted	Partly Paid / Fully paid	Amount in USD		Basis of Valuation
				Mar 31, 2017	Mar 31, 2016	
Investments in Equity Instruments						
(i) Solaris Pharma Corporation, USA	Others	Unquoted	Fully Paid	250,000	1,000,000	At cost price
(ii) IntEnergy LLC, USA	Others	Unquoted	Fully Paid	500,000	1,250,000	At cost price
Investments in Preference Stock						
SpectraMD USA, Inc	Others	Unquoted	Fully Paid	200,000	700,000	At cost price
Total				950,000	2,950,000	

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.10. Long-Term Loans and Advances

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Unsecured, considered good		
Security deposits	345,406	324,600
Capital advance - paid for capital goods	350,000	350,000
Total	695,406	674,600

2.11. Inventories

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Stock-in-trade - (Valued at cost)	2,002,623	2,611,639
Total	2,002,623	2,611,639

2.12. Trade Receivables

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Debts outstanding for period exceeding six months		
Unsecured and considered good	432,422	1,835,038
Unsecured and considered doubtful	118,059	167,328
Less : Provision for doubtful debts	(118,059)	(167,328)
	432,422	1,835,038
Other Debts		
Unsecured and considered good	56,234,218	35,339,968
Unsecured and considered doubtful	-	9,963
Less : Provision for doubtful debts	-	(9,963)
	56,234,218	35,339,968
Total	56,666,640	37,175,006

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.13. Cash and Bank Balances

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Balances with bank in current and deposit accounts *	8,578,676	9,110,703
Cash on hand	16,761	18,493
Total	8,595,437	9,129,196
*includes bank deposits with more than 12 months maturity	65,155	65,025
*includes Guarantees	15,837	15,813

2.14. Short-Term Loans and Advances

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Unsecured, considered good		
Loans and advances to related Party	6,689	-
Prepaid expenses	1,987,861	1,830,829
Advance to employees	253,106	230,755
Advance for services	7,528,747	6,656,980
Advance to consultants	2,451,871	1,723,183
Unbilled receivables	6,989,471	5,917,728
Other Taxes receivable	14,452	28,143
Advance - Others	6,462,642	4,365,343
Total	25,694,839	20,752,961

2.15. Other Current Assets

Particulars	As at	As at
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Unsecured, considered good		
Other advances	35,483	42,088
Total	35,483	42,088

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.16. Revenue from Operations

Particulars	For the year ended	For the year ended
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Income from software services and products	146,780,242	116,910,073
Income from sale of IT infrastructure and support services	39,330	121,185
Total	146,819,572	117,031,258

2.17. Other Income

Particulars	For the year ended	For the year ended
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Interest income	150	2,306
Profit on Sale of Assets/Investment	17,652	2,829,436
Foreign Exchange Gain/(Loss)-net	139,061	84,470
Other non-operating income	99,425	93,570
Total	256,288	3,009,782

2.18. Cost of Revenue

Particulars	For the year ended	For the year ended
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Software and consultancy and services cost	39,074,241	27,018,124
Cost of IT Infrastructure and support services	35,963	116,001
Total	39,110,204	27,134,125

2.19. Employee Benefit Expenses

Particulars	For the year ended	For the year ended
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Salaries and Allowances	39,018,540	32,587,915
Contributions to PF and Other Funds	1,112,325	1,336,898
Gratuity and leave encashment	134,458	240,268
Staff welfare	1,149,281	1,151,458
Total	41,414,604	35,316,539

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.20. Finance Costs

Particulars	For the year ended	For the year ended
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Interest expense	1,033,070	817,516
Other borrowing costs	1,300,507	1,189,392
Total	2,333,577	2,006,908

2.21. Other Expenses

Particulars	For the year ended	For the year ended
	Mar 31, 2017	Mar 31, 2016
	USD	USD
Audit Fees	278,563	273,031
Bad Debts	29,072	44,551
Bank Charges	37,124	65,130
Charity (CSR)	-	3,600
Commission & Brokerage	730,237	452,621
Communication Expenses	4,865,321	4,202,405
Electricity Expenses	50,065	108,070
Insurance	268,458	232,685
Legal & Professional Charges	7,160,987	5,753,197
Loss on disposal/discarding Asset	8,910	-
Marketing Expenses	6,639,113	5,629,902
Meeting & Conference	1,778,616	736,056
Office Expenses	1,301,584	955,792
Postage & Telegrams	28,987	29,524
Printing & Stationery	55,660	95,467
Provision for Non-Moving stock	-	15,073
Rates & Taxes	447,020	109,148
Rent	1,741,834	1,480,718
Repairs & Maintenance - Building	-	-
Repairs & Maintenance - Plant and Equipment	3,699,924	4,436,569
Repairs & Maintenance - Others	433,543	297,178
Subscription Charges	148,384	133,673
Travelling and Conveyance	7,174,418	6,461,905
Total	36,877,820	31,516,295

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.23. Related Party Disclosure

List of Related Parties

Holding Company: TAKE Solutions Limited, India

Subsidiaries

1. TAKE Solutions Information Systems Pte Ltd, Singapore
2. Towell TAKE Investments LLC, Sultanate of Oman
3. Navitas Life Sciences Holdings Limited, UK
4. TAKE Enterprise Services Inc., USA
5. TAKE Innovations Inc., USA

Subsidiaries (held indirectly)

1. Navitas, Inc., USA
2. TAKE Supply Chain De Mexico S De Ri De Cv., Mexico
3. Million Star Technologies Limited, Mauritius
4. Towell TAKE Solutions LLC, Sultanate of Oman
5. TAKE Solutions MEA Limited, UAE
6. Mirnah Technologies Systems Limited, Saudi Arabia
7. Navitas Life Sciences Limited, UK
8. Navitas Life Sciences, Inc., USA
9. TAKE Synergies Inc., USA
10. TAKE Dataworks Inc., USA
11. Intelent Inc., USA
12. Astus Technologies Inc., USA

Fellow Subsidiaries

1. Navitas LLP, India
2. Ecron Acunova Limited, India
3. Ecron Acunova GmbH, Germany
4. Acunova Life Science Inc., USA
5. APA Engineering Pte Ltd, Singapore

Other Related Party W.J. Towell & Co. LLC, Sultanate of Oman - Joint Venture Partner

The list of transactions during the year and the balances outstanding as at Mar 31, 2017;

Particulars	Amount in USD		
	Holding Company	Fellow Subsidiary	Other Related Party
Revenue	-	75,000	262,549
Cost of Revenue	33,375	3,751,346	13,961
Unbilled Payables	-	78,449	-
Trade Receivables	-	1,558,670	152,471
Trade Payables	806,211	3,581,165	22,495
Other Receivables	-	3,030,499	-
Other Payables	-	-	5,174

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

Managerial Remuneration

Name	Designation	Amount in USD
H R Srinivasan	Director of Holding Company	300,000
D V Ravi	Director of Holding Company	150,000
Ram Yeleswarapu	Chief Executive Officer	180,000

2.24. Segment Reporting

The Group has identified Technology Services and Functional Services as the business segments.

Technology Services include engineering of technology products and/or solutions either organically or in partnership with strategic enterprise software vendors that would help solve a business problem relating to compliance with regulations, addressing a situation of non-compliance or enabling process and operational efficiencies, across multifunctional teams within the enterprise as well as their partners and stakeholders.

Functional Services refer to performance of core operational blocks of function on behalf of the customers which span the functions of clinical, regulatory and medical/safety that are required to either bring drugs and devices to market post approval or ensure keeping them on market by complying with statutory requirements across the globe.

Primary Segment Report for the year ended Mar 31, 2017;

Particulars	Functional Services	Technology Services	Total
	Amount in USD		
Segment Revenue	88,928,110	57,891,462	146,819,572
Segment Cost	54,659,907	51,098,593	105,758,500
Segment Result	34,268,203	6,792,869	41,061,072
Unallocated Corporate Income			256,288
Unallocated Corporate Expenses			22,811,797
Operating Profit			18,505,563
Interest Expenses			2,333,577
Income Taxes			1,188,686
Net Profit before Minority Interest			14,983,300
Minority Interest			210,071
Net Profit after Minority Interest			14,773,229

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

Primary Segment Report for the year ended Mar 31, 2016;

Particulars	Software Products & Consultancy Services	IT Infra & Support Services	Total
	Amount in USD		
Segment Revenue	116,910,073	121,185	117,031,258
Segment Cost	69,854,491	116,001	69,970,492
Segment Result	47,055,582	5,184	47,060,766
Unallocated Corporate Income			3,009,782
Unallocated Corporate Expenses			32,591,481
Operating Profit			17,479,067
Interest Expenses			2,006,908
Income Taxes			1,203,324
Net Profit before Minority Interest			14,268,835
Minority Interest			566,555
Net Profit after Minority Interest			13,702,280

Secondary Segment Report

Geographic Segments	For the year ended	
	March 31, 2017	March 31, 2016
	Amount in USD	
Asia Pacific	7,307,059	7,408,022
USA	136,525,514	96,164,721
Rest of the World	2,986,999	13,458,515
Total	146,819,572	117,031,258

2.26. Leases

Obligation under Non-Cancellable Operating Lease

Minimum Lease Payments	As at Mar 31, 2017	As at Mar 31, 2016
	Amount in USD	
Not later than one year	632,865	626,957
Later than one year but not later than five years	164,581	770,434
Later than five years	-	68,976

Total rent expenses for operating leases (including cancellable) amounted to USD 1,741,834 (USD 1,480,718) for the year ended Mar 31, 2017.

TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2017

2.27. Contingent Liabilities

- a) Bank Guarantees given by Related Party as at Mar 31, 2017 - USD 6,510 (USD 5,447).
- b) Disputed Sales Tax Liability - Navitas Inc., USA - USD 38,371 (Nil)

The Management of the enterprise entities believe that the ultimate outcome of the proceeding will not have a material adverse effect on the Group's financial position and results of operation and hence, no adjustment has been made to the financial statements for the year ended March 31, 2017.

2.28. The Group has prepared these financial statements as per the format prescribed by Revised Schedule III to the Companies Act, 2013 ('the Schedule') issued by the Ministry of Corporate Affairs, India.

2.29. Comparative Figures

Corresponding figures for previous year presented have been regrouped, wherever necessary, to conform to the current year presentation.

For CNGSN & Associates LLP
Chartered Accountants
Firm's Registration No.: 004955

For and on behalf of the Board of Directors

-sd-
C.N.GANGADARAN
Partner
Membership No.: 011205

-sd-
Director

-sd-
Director

Place : Chennai
Date : May 17, 2017