INDEPENDENT AUDITOR'S REPORT

To the Members of Airmid Aviation Services Limited
Report on the Financial Statements

We have audited the accompanying financial statements of **Airmid Aviation Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. In conducting the Audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Other Matter

The Company had prepared separate sets of statutory financial statements for the year ended March 31, 2017, and March 31, 2016, in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports dated May 23, 2017, and May 04, 2016, respectively to the shareholders of the Company. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required under provisions of Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. As detailed in Note 36 to the financial statements, the company has disclosed the impact of pending litigation on its financial position.

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

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

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number: 005975N

Vikas Aggarwal
Partner
Membership No.: 097848

New Delhi
30 April 2018

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 under ' Report on Other Legal and Regulatory Requirements' section of our report to the members of Airmid Aviation Services Limited of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

c. The Company does not hold any immovable properties (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.

ii) As the company has no inventory during the year. Accordingly, the provision of clause 3(ii) of the order are not applicable to the Company.

iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liabilities partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order are not applicable to the Company.

iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.

v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) In respect of Statutory dues :

a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period of more than six months from the date of becoming payable.

b. According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax , Cess on account of any dispute, which have not been deposited.

viii) In our opinion, the Company has not defaulted in repayment of loans or borrowings to any bank during the year. Further, the Company has no loans or borrowings payable to a financial institution or government and no dues payable to debenture-holders during the year.

ix) As explained to us, no money raised by way of initial public offer or further public offer (including debt instruments) during the year. The Company has not obtained any term loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.

x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or its employees was noticed or reported during the year.

xi) In our opinion, the provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company as the Company does not pay/provide for any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.

xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii) According to the information and explanations given to us, all the transactions with the related parties are in compliance with Sections 177 & 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by applicable accounting standards.

xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of Shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.

xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number : 005975N

Vikas Aggarwal
Partner
Membership No.: 097848

New Delhi
30 April 2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under ' Report on Other Legal and Regulatory Requirements' section of our report to the members of Airmid Aviation Services Limited of even date)

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

We have audited the internal financial controls over financial reporting of **Airmid Aviation Services Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number : 005975N

Vikas Aggarwal
Partner
Membership No.: 097848

New Delhi
30 April 2018

AIRMID AVIATION SERVICES LIMITED
(Formerly Airmid Aviation Services Private Limited)

All amount in ₹ thousands, unless otherwise stated

	Balance Sheet as at	**Note**	**31 March 2018**	**31 March 2017**	**01 April 2016**
I	**ASSETS**				
	Non-current assets				
(a)	Property, plant and equipment	6	9,18,602.69	19,28,375.22	20,17,612.68
(b)	Financial Assets				
	Loans	7	13,825.00	14,175.00	14,889.99
(c)	Deferred tax assets, net	8	47,832.52	44,634.12	32,474.19
(d)	Non-current tax Assets, net	9	1,83,377.56	1,30,234.38	1,18,437.37
(e)	Other non-current assets	10 A	-	-	123.85
			11,63,637.77	**21,17,418.72**	**21,83,538.08**
	Current assets				
(a)	Financial Assets				
	Investments	11	50,056.55	-	-
	Trade receivables	12	5,49,794.51	1,64,709.95	2,39,787.20
	Cash and cash equivalents	13	67,621.86	21,908.00	28,421.78
	Other bank balances	14	-	29,670.67	52,795.87
	Other financial assets	15	83.33	121.21	393.03
(b)	Other current assets	10 B	28,604.66	25,800.09	33,510.56
			6,96,160.91	**2,42,209.92**	**3,54,908.44**
	Total of Assets		**18,59,798.68**	**23,59,628.64**	**25,38,446.52**
II	**EQUITY AND LIABILITIES**				
	Equity				
(a)	Equity share capital	16	1,00,000.00	1,00,000.00	1,00,000.00
(b)	Other equity	17	(34,54,668.93)	(34,52,517.55)	(30,00,406.67)
			(33,54,668.93)	**(33,52,517.55)**	**(29,00,406.67)**
	Liabilities				
	Non-current liabilities				
(a)	Financial liabilities				
	Borrowings	18 A	87,643.31	26,55,488.40	32,62,525.98
	Other financial liabilities	19 A	-	8,91,740.96	9,50,000.00
(b)	Provisions	20 A	9,774.42	10,376.35	9,535.95
			97,417.73	**35,57,605.71**	**42,22,061.93**
	Current liabilities				
(a)	Financial liabilities				
	Borrowings	18 B	24,69,118.75	20,17,726.95	10,00,000.00
	Trade payables	21	21,282.28	34,881.79	41,057.95
	Other financial liabilities	19 B	24,67,536.41	89,138.84	1,62,218.06
(b)	Other current liabilities	22	1,58,890.85	12,584.23	13,294.18
(c)	Provisions	20 B	221.59	208.67	221.07
			51,17,049.88	**21,54,540.48**	**12,16,791.26**
	Total of Equity and Liabilities		**18,59,798.68**	**23,59,628.64**	**25,38,446.52**

Summary of significant accounting policies 5

The accompanying notes form an integral part of the financial statements

This is the balance sheet referred to in our report of even date.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number: 005975N

For and on behalf of Board of Directors

Vikas Aggarwal
Partner

Anil Malhan
Director
[DIN: 01542646]

Gurbans Singh
Director
[DIN: 06667127]

Place: New Delhi
Date: 30 April 2018

Gagandeep
Company Secretary

Saurabh Garg
Chief Financial Officer

AIRMID AVIATION SERVICES LIMITED
(Formerly Airmid Aviation Services Private Limited)

All amount in ₹ thousands, unless otherwise stated

Statement of Profit and Loss for the	Note	Year ended 31 March, 2018	2017
Revenue			
Revenue from operations	23	7,18,522.35	3,41,093.73
Other income	24	1,67,551.65	3,290.96
Total of Revenue		**8,86,074.00**	**3,44,384.69**
Expenses			
Operating expenses	25	2,06,222.94	2,50,032.94
Employee benefits expense	26	68,231.38	76,030.84
Finance costs	27	3,44,282.35	3,37,983.37
Depreciation and amortisation expense	6	1,29,361.34	1,29,435.17
Other expenses	28	1,45,240.57	15,519.00
Total of Expenses		**8,93,338.58**	**8,09,001.32**
Loss before tax		**(7,264.58)**	**(4,64,616.63)**
Tax expense:			
Current tax	29	-	-
Deferred tax charge/(credit)		(3,198.40)	(12,159.93)
Loss after tax		**(4,066.18)**	**(4,52,456.70)**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Re-measurement (loss)/gain on defined benefits plans		1,914.80	345.82
Total comprehensive income/(loss) for the year		**(2,151.38)**	**(4,52,110.88)**
Earnings per equity share	30		
Equity share of par value ₹10/- each			
Basic (₹)		(0.41)	(45.25)
Diluted (₹)		(0.41)	(45.25)
Summary of significant accounting policies	5		

The accompanying notes form an integral part of the financial statements

This is the statement of profit and loss referred to in our report of even date.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number: 005975N

For and on behalf of Board of Directors

Vikas Aggarwal
Partner

Anil Malhan
Director
[DIN: 01542646]

Gurbans Singh
Director
[DIN: 06667127]

Place: New Delhi
Date: 30 April 2018

Gagandeep
Company Secretary

Saurabh Garg
Chief Financial Officer

AIRMID AVIATION SERVICES LIMITED

(Formerly Airmid Aviation Services Private Limited)

All amount in ₹ thousands, unless otherwise stated

Statement of Cash Flows for the	**Year ended 31 March,**	
	2018	**2017**
A. Cash flow from operating activities:		
Net loss before tax	(7,264.58)	(4,64,616.63)
Adjustments to reconcile net profit/(loss) to net cash provided by operating activities:		
Depreciation and amortisation expense	1,29,361.34	1,29,435.17
Interest expense	3,13,696.22	2,96,242.31
Interest expenses on taxation	0.98	0.11
Provision for bad debts	1,32,703.37	-
Marked to market loss on forward contract	30,585.16	41,740.96
Interest income	(1,418.68)	(2,858.40)
Dividend income	-	(47.19)
Profit on sale of property, plant and equipment	(1,62,190.80)	393.52
Profit on sale of Investments	(441.33)	(300.52)
Provision for gratuity and compensated absences	3,248.37	2,056.48
Operating profit before working capital changes	**4,38,280.05**	**2,045.81**
Change in operating assets and liabilities:		
(Increase)/decrease in trade receivables	(5,17,787.93)	75,077.26
(Increase)/decrease in financial assets and other current assets	(2,416.67)	8,821.11
Decrease in trade payables	(13,599.51)	(6,176.17)
Decrease in financial liabilities, other liabilities and provisions	(7,08,726.96)	(1,02,846.43)
Cash used in operating activities	**(8,04,251.02)**	**(23,078.42)**
Income tax paid (net)	(53,143.18)	(11,797.01)
Net cash used in operating activities	**(8,57,394.20)**	**(34,875.43)**
B. Cash flow from investing activities:		
Sale of property, plant and equipment	10,50,000.00	226.33
Purchase of property, plant and equipment	-	(94,612.37)
Maturity of fixed deposits	27,987.14	22,612.86
Interest received on fixed deposit	3,102.21	3,370.74
Investment in mutual funds	(15,06,556.55)	(12,61,000.00)
Redemption of mutual funds	14,56,941.32	12,61,300.52
Dividend income	-	47.19
Net cash generated from/(used in) investing activities	**10,31,474.12**	**(68,054.73)**
C. Cash flow from financing activities: (Refer note 39)		
Proceeds from banks and financial institutions	-	20,00,000.00
Repayment to banks and financial institutions	(12,73,755.19)	(21,50,082.05)
Interest paid to banks and financial institutions	(1,77,889.16)	(3,21,261.59)
Proceeds from inter-corporate borrowing	17,59,100.00	6,38,883.00
Repayment of inter-corporate borrowing	(3,16,950.00)	(64,883.00)
Interest paid on inter-corporate borrowings	(1,18,871.71)	(6,239.98)
Net cash generated (used in)/from financing activities	**(1,28,366.06)**	**96,416.38**
D. Increase/(decrease) in cash and cash equivalents, net [A+B+C]	**45,713.86**	**(6,513.78)**
E. Cash and cash equivalents at the beginning of the year	21,908.00	28,421.78
F. Cash and cash equivalents at the end of the year [D+E]	**67,621.86**	**21,908.00**

AIRMID AVIATION SERVICES LIMITED
(Formerly Airmid Aviation Services Private Limited)

All amount in ₹ thousands, unless otherwise stated

Statement of Cash Flows for the	**Year ended 31 March,**	
	2018	**2017**
Cash and cash equivalents includes		
Cash on hand	503.38	0.86
Foreign currency on hand	-	37.62
Balances with scheduled banks		
In current accounts	60,615.20	21,869.52
In bank deposit accounts	6,500.00	27,987.14
Interest accrued on bank deposits	3.28	-
	67,621.86	**49,895.14**
Less: Fixed deposits having original maturity of more than three months	**-**	(27,987.14)
Total of cash and cash equivalents	**67,621.86**	**21,908.00**

a) The accompanying notes form an integral part of the financial statements

b) Ind AS-7 allows entities to report cash flow from operating activities using either the direct or indirect method, however listing regulations issued by SEBI (Securities Exchange Board of India) requires the listed companies to present cash flow only under indirect method. The Company has presented the above cash flow statement by using the indirect method.

This is the statement of cash flows statement referred to in our report of even date

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number: 005975N

For and on behalf of Board of Directors

Vikas Aggarwal
Partner

Anil Malhan
Director
[DIN: 01542646]

Gurbans Singh
Director
[DIN: 06667127]

Place: New Delhi
Date: 30 April 2018

Gagandeep
Company Secretary

Saurabh Garg
Chief Financial Officer

AIRMID AVIATION SERVICES LIMITED
(Formerly Airmid Aviation Services Private Limited)
Statement of changes in equity as at 31 March 2018

(A) Equity share capital*

All amount in ₹ thousands, unless otherwise stated

Particulars	Opening balance as at 01 April 2016	Issue of equity share capital during the year	Balance as at 31 March 2017	Issue of equity share capital during the year	Balance as at 31 March 2018
Equity share capital	1,00,000.00	-	1,00,000.00	-	1,00,000.00

(B) Other equity**

Description	Reserves and surplus		Other comprehensive income - Reserve	Total equity attributable to equity holders of the company
	Equity element of long term loans	Retained earnings	Re-measurement of defined benefit plans	
Opening balance as at 01 April 2016	**50,154.06**	**(30,50,560.73)**	**-**	**(30,00,406.67)**
Loss for the year	-	(4,52,456.70)	-	(4,52,456.70)
Other comprehensive income	-	345.82	-	345.82
Balance as at 31 March 2017	**50,154.06**	**(35,02,671.61)**	**-**	**(34,52,517.55)**
Loss for the year	-	(4,066.18)	-	(4,066.18)
Other comprehensive income	-	1,914.80	-	1,914.80
Balance as at 31 March 2018	**50,154.06**	**(35,04,822.99)**	**-**	**(34,54,668.93)**

**Refer Note - 16*
*** Refer Note - 17*

The accompanying notes are integral part of the financial statements

This is the statement of changes in equity referred to in our report of even date.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number: 005975N

For and on behalf of Board of Directors

Vikas Aggarwal
Partner

Anil Malhan
Director
[DIN: 01542646]

Gurbans Singh
Director
[DIN: 06667127]

Place: New Delhi
Date: 30 April 2018

Gagandeep
Company Secretary

Saurabh Garg
Chief Financial Officer

1. Company overview

Airmid Aviation Services Limited was incorporated on 20 July 2007 as Airmid Aviation Services Private Limited. The Company is engaged in rendering non-scheduled aircraft passenger services, including helicopter charter services and all other related and ancillary activities.

In accordance with the provisions of Section 18 and other applicable provisions of the Companies Act, 2013, the members of the company at their Extraordinary General Meeting held on 22 December 2014, accorded their approval to change the status of the Company from a private limited company to a public limited company. The company has since received a fresh certificate of incorporation consequent upon change of name on conversion to a public limited company from the Registrar of Companies, National Capital Territory of Delhi & Haryana dated December 22, 2014, in respect of the said change. Accordingly, the name of the Company was changed from Airmid Aviation Services Private Limited to Airmid Aviation Services Limited

The company is domiciled in India and its registered office is situated at M-62 and 63, First Floor, Connaught Place, New Delhi – 110001.

2. General information and statement of compliance with Ind AS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')). The Company has uniformly applied the accounting policies during the periods presented.

For all periods up to and including the year ended 31 March 2017, the Company has prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These financial statements for the year ended 31 March 2018 are the first which the Company has prepared in accordance with Ind AS (see note 33. for explanation for transition to Ind AS). For the purpose of comparatives, financial statements for the year ended 31 March 2017 and opening balance sheet as at 1 April 2016 are also prepared under Ind AS.

The financial statements for the year ended 31 March 2018 were authorized and approved for issue by the Board of Directors on 30 April 2018.

3. Significant accounting policies

Basis of preparation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measure at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorized into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

4. Recent accounting pronouncement

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to Ind AS 12, 'Income taxes', Ind AS 21, 'The effects of changes in foreign exchange rates and also introduced new revenue recognition standard Ind AS 115 'Revenue from contracts with customers'. These amendments rules are applicable to the Company from 1 April, 2018.

Ind AS 115 'Revenue from Contracts with Customers' (Ind AS 115)

Ministry of Corporate Affairs ('MCA') has notified new standard for revenue recognition which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

1. Identification of the contracts with the customer
2. Identification of the performance obligations in the contract
3. Determination of the transaction price
4. Allocation of transaction price to the performance obligations in the contract (as identified in step 2)
5. Recognition of revenue when performance obligation is satisfied.

Amendment to Ind AS 12
The amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

Amendment to Ind AS 21
The amendment to Ind AS 21 requires the entities to consider exchange rate on the date of initial recognition of advance consideration (asset/liability), for recognizing related expense/income on the settlement of said asset/liability. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

5. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement basis summarized below. These were used throughout all periods presented in the financial statements, except where the company has applied certain accounting policies and exemptions upon transition to Ind AS.

a) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Companies Act 2013. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

b) Property, plant and equipment (PPE)

Recognition and initial measurement
Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)
Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013.

Asset class	Useful life
Aircraft	20 years
Plant and equipment	12 years
Office equipment	5 years
Computers	3 – 6 years
Furniture and fixtures	10 years
Vehicles	8 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year.

De-recognition
An item of property, plant and equipment initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in statement of profit and loss when the asset is derecognized.

c) Intangible assets

Recognition and initial measurement
Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortization)
The cost of capitalized software is amortized over a period in the four years from the date of its acquisition.

d) Revenue recognition

Revenue is recognized when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

Revenue from air transport services
Revenue from air transportation services is recognised in the year in which the service has been rendered, and billed as per terms of contract / arrangements with customers, provided that collection is reasonably certain.

Interest income
Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.

Dividend income
Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders of the investee party approve the dividend.

Advisory Income
Advisory service income and revenue from pilot hire income is recognized on an accrual basis.

Income from sale of investment
Profit on sale of investment is recognized on the date of its sale and is computed as excess of sale proceeds over its carrying amount as at the date of sale.

e) Operating Leases

Company is lessee
Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

f) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale, A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

g) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or 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 reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

h) Foreign currency

Functional and presentation currency
The financial statements are presented in Indian Rupee ('INR' or '₹') which is also the functional and presentation currency of the Company.

Transactions and balances
Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.
Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.
Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

i) Investments

Investment in equity instruments of subsidiaries are stated at cost as per Ind AS 27 'Separate Financial Statements'.

j) Financial instruments

Financial assets

Initial recognition and measurement
All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

i. **Debt instruments at amortized cost –** A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
   - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

   After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. **Equity instruments -** All equity investments in scope of 'Ind AS 109 Financial Instruments' ('Ind AS 109') are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

iii. **Mutual funds -** All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets
A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities
Initial recognition and measurement
All financial liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement – Amortized cost
Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities
A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

k) Impairment of financial assets

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Company applies approach permitted by Ind AS 109, which requires lifetime expected credit losses to be recognized for trade receivables.

Other financial assets

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

l) Income taxes

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealized tax loss are recognized to the extent that it is probable that the underlying tax loss will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity).

m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, other short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

n) Employee benefits

Defined contribution plan
The Company's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss or inventorized as a part of real estate project under development, as the case may be. The Company's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

Defined benefit plan
The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gain/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long term employee benefits
The Company also provides benefit of compensated absences to its employees which are in the nature of long -term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits
Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

o) Share based payments

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The employee benefit expense is measured using the fair value of the employee stock options and is recognized over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees of will be allotted equity shares of the Company.

Transition to Ind AS
On transition to Ind AS, the company has elected to not consider the charge related to employee stock options for which the vesting period is already over.

p) Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are review at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:
- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

q) Earnings per equity share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r) Significant management judgment in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management's judgments

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgment.

Significant estimates

Revenue and inventories – The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which further require assessments and judgments to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information.

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilization of assets.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

AIRMID AVIATION SERVICES LIMITED
(Formerly Airmid Aviation Services Private Limited)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Note - 6
Property, plant and equipment

All amount in ₹ thousands, unless otherwise stated

Particulars	Tangible assets						
	Aircrafts* (refer note 18)	Plant and equipments	Office equipments	Computers	Furniture and fixtures	Vehicles	Total of tangible assets
Gross block *(refer note (i) below)*							
As at 01 April 2016	**20,15,000.00**	**3,559.01**	**1,361.61**	**1,163.04**	**630.45**	**2,783.07**	**20,24,497.18**
Additions during the year	40,696.00	-	15.60	105.97	-	-	40,817.57
Sale/disposed off during the year	-	-	-	-	-	(1,579.09)	(1,579.09)
As at 31 March 2017	**20,55,696.00**	**3,559.01**	**1,377.21**	**1,269.01**	**630.45**	**1,203.98**	**20,63,735.66**
Additions during the year	7,398.00	-	-	-	-	-	7,398.00
Sale/disposed off during the year	(9,95,000.00)	-	-	-	-	-	(9,95,000.00)
As at 31 March 2018	**10,68,094.00**	**3,559.01**	**1,377.21**	**1,269.01**	**630.45**	**1,203.98**	**10,76,133.66**
Accumulated depreciation/amortisation							
As at 01 April 2016	**-**	**2,687.19**	**891.59**	**999.62**	**214.98**	**2,091.12**	**6,884.50**
Depreciation/amortisation for the year	1,28,824.94	200.78	161.29	103.58	72.49	72.09	1,29,435.17
Sale/disposed off during the year	-	-	-	-	-	(959.23)	(959.23)
As at 31 March 2017	**1,28,824.94**	**2,887.97**	**1,052.88**	**1,103.20**	**287.47**	**1,203.98**	**1,35,360.44**
Depreciation/amortisation for the year	1,28,855.31	200.78	128.15	104.61	72.49	-	1,29,361.34
Sale/disposed off during the year	(1,07,190.81)	-	-	-	-	-	(1,07,190.81)
As at 31 March 2018	**1,50,489.44**	**3,088.75**	**1,181.03**	**1,207.81**	**359.96**	**1,203.98**	**1,57,530.97**
Net block							-
As at 31 March 2018	**9,17,604.56**	**470.26**	**196.18**	**61.20**	**270.49**	**-**	**9,18,602.69**
As at 31 March 2017	**19,26,871.06**	**671.04**	**324.33**	**165.81**	**342.98**	**-**	**19,28,375.22**
As at 01 April 2016	**20,15,000.00**	**871.82**	**470.02**	**163.42**	**415.47**	**691.95**	**20,17,612.68**

Note
(i) The Gross block of all the class of assets is measured at cost, except for aircrafts, for which the gross block is recorded at fair value as on 01 April 2016.

*Details of foreign exchange loss/(gain) on translation of long-term foreign currency borrowing capitalized and amortized during the year:

Particulars	Tangible asset- Aircrafts
Exchange loss /(gain) capitalized	
As at 01 April 2016	**3,47,594.89**
Additions during the year	(6,623.10)
As at 31 March 2017	**3,40,971.79**
Additions during the year	(7,398.00)
As at 31 March 2018	**3,33,573.79**
Exchange loss / (gain) amortized	
As at 01 April 2016	**54,358.39**
Amortized during the year	-
As at 31 March 2017	**54,358.39**
Amortized during the year	-
As at 31 March 2018	**54,358.39**
Net block of exchange loss/(gain)	
As at 31 March 2018	**2,79,215.40**
As at 31 March 2017	**2,86,613.40**
As at 01 April 2016	**2,93,236.50**

AIRMID AVIATION SERVICES LIMITED
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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

All amount in ₹ thousands, unless otherwise stated

	31 March 2018	31 March 2017	01 April 2016
Note - 7			
Loans			
Non-current			
Security deposits	13,825.00	14,175.00	14,889.99
	13,825.00	**14,175.00**	**14,889.99**
Note - 8			
Deferred tax assets, net			
Deferred tax asset arising on account of :			
Unabsorbed business losses	47,832.52	47,832.52	47,832.52
Equity element of long term borrowings	-	(3,198.40)	(15,358.33)
	47,832.52	**44,634.12**	**32,474.19**

Caption wise movement in deferred tax assets as follows:

Particulars	**01 April 2016**	**Recognised/(reversed) in Other Comprehensive Income**	**Recognised/(reversed) in profit and loss**	**31 March 2017**
Deferred tax asset arising on account of:				
Unabsorbed business losses	47,832.52	-	-	47,832.52
Deferred tax liabilities arising on account of:				
Equity element of long term borrowings	15,358.33	-	(12,159.93)	3,198.40
Total	**32,474.19**	**-**	**12,159.93**	**44,634.12**

Caption wise movement in deferred tax assets as follows:

Particulars	**31 March 2017**	**Recognised/(reversed) in Other Comprehensive Income**	**Recognised/(reversed) in profit and loss**	**31 March 2018**
Deferred tax asset arising on account of:				
Unabsorbed business losses	47,832.52	-	-	47,832.52
Deferred tax liabilities arising on account of:				
Equity element of long term borrowings	3,198.40	-	(3,198.40)	-
Total	**44,634.12**	**-**	**3,198.40**	**47,832.52**

	31 March 2018	31 March 2017	01 April 2016
Note - 9			
Non-current tax assets, net			
Advance income tax, including tax deducted at source	1,83,377.56	1,30,234.38	1,18,437.37
	1,83,377.56	**1,30,234.38**	**1,18,437.37**
Note - 10			
A **Other non-current assets**			
Prepaid expenses	**-**	**-**	123.85
	-	**-**	**123.85**
B **Other current assets**			
Advance to staff	775.00	934.22	1,684.22
Advance to material/service providers	1,244.80	451.89	24,320.50
Prepaid expenses	17,996.32	21,312.99	6,867.25
Balances with statutory authorities	8,588.54	3,100.99	638.59
	28,604.66	**25,800.09**	**33,510.56**
Note - 11			
Investments			
Current			
Investment in mutual funds (quoted)			
Indiabulls Liquid Fund - Direct Plan - Growth	50,056.55	-	-
[29,475.407 (31 March 2017: nil; 01 April 2016: nil) per unit, NAV: ₹ 1698.2479 (31 March 2017: nil; 01 April 2016: nil) per unit]			
	50,056.55	**-**	**-**
Note - 12			
Trade Receivables*			
Current			
Unsecured			
Considered good	5,49,794.51	1,64,709.95	2,39,787.20
Considered doubtful	1,32,703.37	-	-
	6,82,497.88	**1,64,709.95**	**2,39,787.20**
Less: Provision against doubtful debts	(1,32,703.37)	-	-
	5,49,794.51	**1,64,709.95**	**2,39,787.20**

**Refer Note-18A for charge/mortgage on trade receivables*

		31 March 2018		31 March 2017		01 April 2016
Note - 13						
Cash and cash equivalents						
Cash on hand		503.38		0.86		1,293.81
Foreign currency on hand		-		37.62		-
Balances with banks in current accounts		60,615.20		21,869.52		27,127.97
Bank deposits with original maturity upto three months *	6,500.00		-		-	
Interest Accrued on bank deposits	3.28	6,503.28	-	-	-	-
		67,621.86		**21,908.00**		**28,421.78**

AIRMID AVIATION SERVICES LIMITED
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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

All amount in ₹ thousands, unless otherwise stated

		31 March 2018		31 March 2017		01 April 2016
Note - 14						
Other bank balances						
Bank deposits						
With maturity of more than three months and upto twelve months	-		27,987.14		50,600.00	
With maturity of more than twelve months	-		-		-	
	-		27,987.14		50,600.00	
Less: Non-current bank balances in fixed deposit accounts	-	-	-	27,987.14	-	50,600.00
Interest accrued on bank deposits		-		1,683.53		2,195.87
		-		**29,670.67**		**52,795.87**

* Fixed deposits of ₹ Nil (31 March 2017: ₹ 27,987.14 thousands; 01 April 2016: ₹ 50,600.00 thousands) are under lien with bank against term loan taken from bank.

	31 March 2018	31 March 2017	01 April 2016
Note - 15			
Other financial assets			
Current			
Loans to employees	83.33	121.21	393.03
	83.33	**121.21**	**393.03**

Note - 16

		31 March 2018		31 March 2017		01 April 2016	
i	**Equity share capital**						
	Authorised	**Number**	**(₹ in thousands)**	**Number**	**(₹ in thousands)**	**Number**	**(₹ in thousands)**
	Equity shares of face value of ₹10 each	1,00,00,000	1,00,000.00	1,00,00,000	1,00,000.00	1,00,00,000	1,00,000.00
		1,00,00,000	**1,00,000.00**	**1,00,00,000**	**1,00,000.00**	**1,00,00,000**	**1,00,000.00**
ii	**Issued, subscribed and fully paid up**						
	Equity share capital of face value of ₹10 each fully paid up	1,00,00,000	1,00,000.00	1,00,00,000	1,00,000.00	1,00,00,000	1,00,000.00
		1,00,00,000	**1,00,000.00**	**1,00,00,000**	**1,00,000.00**	**1,00,00,000**	**1,00,000.00**
iii	**Reconciliation of number of equity shares outstanding at the beginning and at the end of the year**						
	Equity shares						
	Balance at the beginning of the year	1,00,00,000	1,00,000.00	1,00,00,000	1,00,000.00	1,00,00,000	1,00,000.00
	Add: Issued during the year	-	-	-	-	-	-
	Less: Redeemed during the year	-	-	-	-	-	-
	Balance at the end of the year	**1,00,00,000**	**1,00,000.00**	**1,00,00,000**	**1,00,000.00**	**1,00,00,000**	**1,00,000.00**

The entire equity share capital of the Company is held by holding company - Albasta Wholesale Services Limited and its nominees w.e.f. 22 December 2014. Prior to this entire equity share capital of the Company was held by Indiabulls Real Estate Limited and its nominees.

In accordance with the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013, the members of the company at their Extraordinary General Meeting held on 19 March 2015, accorded their approval to change the authorizes share capital with applicable Rules, and the Articles of Association of the Company, the authorized share capital of the Company be and is hereby increased from ₹50,000.00 thousands divided into 50,00,000 Equity Shares of ₹10 each to ₹1,00,000.00 thousands divided into 1,00,00,000 Equity Shares of ₹10 each. Paid capital of company increased from ₹5,00,00.00 thousands divided into 50,00,000 Equity Shares of ₹10 each to ₹1,00,000.00 thousands divided into 1,00,00,000 Equity Shares of ₹10 each.

iv Rights, preferences and restrictions attached to equity shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company, the remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets.

v Details of shareholder holding more than 5% share capital

Name of the equity shareholder	Number of shares	Number of shares	Number of shares
Albasta Wholesale Services Limited (including nominee shares)	1,00,00,000	1,00,00,000	1,00,00,000

vi Company does not have any shares issued for consideration other than cash during the immediately preceding five years. Company did not buy back any shares during immediately preceding five years. Company does not have any shares reserved for issue under options.

Note - 17

Nature and purpose of other reserves

General reserve

The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

			31 March 2018		31 March 2017		01 April 2016
	Note - 18						
A	**Borrowings**						
	Non-current						
	Secured borrowings:						
	Term loans						
	From banks	24,36,492.57		26,94,297.70		28,88,585.68	
	Less: Current maturities of long-term borrowings	23,48,849.26		38,809.30		34,650.48	
			87,643.31		26,55,488.40		28,53,935.20
			87,643.31		**26,55,488.40**		**28,53,935.20**
	Unsecured borrowings:						
	Loans and advances from related parties		-		-		4,08,590.78
			-		**-**		**4,08,590.78**
	Total of Non-Current Borrowings		**87,643.31**		**26,55,488.40**		**32,62,525.98**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

All amount in ₹ thousands, unless otherwise stated

	31 March 2018	31 March 2017	01 April 2016

Repayment terms of secured borrowings are as below:

Name of bank	As at	Loan outstanding	Rate of interest	Repayment terms	Name of security
Indusind Bank Limited*	31 March 2018	1,22,338.65	9.75% to 11.25%	108 equated monthly installment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2017	3,96,093.85			
	01 April 2016	5,46,338.25			
Punjab National Bank**	31 March 2018	23,41,587.60	1.33% to 2.31%	Payable at the end of 3 years	Secured by Hypothecation of Assets being financed.
	31 March 2017	23,34,189.60			
	01 April 2016	23,87,984.40			

*In year ended 31 March 2016, the Company has availed term loan of ₹ 13,50,000.00 thousands from Indusind Bank Limited, secured by exclusive charge on three aircrafts (Bombardier Challanger CL 604-2B16 (CL-604), Airbus EC-135 P2+ and Cessana Citation Bravo 550), exclusive charge on all current assets (present and future) with respect to the aforesaid three aircrafts, receivable from assignment/hypothecation of lease agreements/take or pay/charter agreements in favor of the lender with respect to the aforesaid three aircrafts, escrow of receivable from the lease agreements/take or pay/charter agreements for the aforesaid three aircrafts of the Company & corporate guarantee given by the ultimate holding company M/s SORIL Holdings and Ventures Limited (Formerly Indiabulls Wholesale Services Limited). In previous year ended 31 March 2017, the company has repaid additional loan of ₹1,13,630.00 thousands to Indusind Bank Limited for release Aircraft Cessana Citation Bravo 550. During the year ended 31 March 2018, the company has repaid additional loan of ₹2,41,600.00 thousands to Indusind Bank Limited for release Aircraft Bombardier Challenger CL 604-2B16 (CL-604). The outstanding loan is repayable in 73 monthly remaining installments. The outstanding balance as at 31 March 2018 is ₹1,22,338.65 thousands, 31 March 2017 was ₹3,96,093.85 thousands & in 01 April 2016 was ₹5,46,338.25 thousands).

**During the year ended 31 March, 2016, the Company has availed buyer's credit to acquire an aircraft (Bombardier Global 5000) of USD 36,000,000 which is sanction by Yes Bank Limited and disbursed by Punjab National Bank, Dubai, secured by exclusive charge by way of hypothecation on the aircraft being financed, corporate guarantee given by the ultimate holding company M/s SORIL Holdings and Ventures Limited (Formerly Indiabulls Wholesale Services Limited), assignment of insurance policy, exclusive charge over receivables arising from the Bombardier Global 5000, under escrow mechanism, exclusive charge by way of assignment over rights, titles, interest etc. and letter of comfort by Indiabulls Real Estate Limited. The buyer's credit is repayable after three years from the end of 3 years from the date of first availment. The outstanding balance as at 31 March, 2018 is USD 36,000,000 ₹23,41,587.60 thousands (31 March, 2017 ₹23,34,189.60 thousands; 01 April, 2016 23,87,984.40 thousands).

B Current

Unsecured borrowings

	31 March 2018	31 March 2017	01 April 2016
Loans and advances from others	12,42,000.00	10,00,000.00	10,00,000.00
Loans and advances from related parties	12,27,118.75	10,17,726.95	-
	24,69,118.75	**20,17,726.95**	**10,00,000.00**

Repayment terms of unsecured borrowings are as below:

Name of party	As at	Loan outstanding	Rate of interest	Repayment terms	Name of security
Reliance Capital Limited	31 March 2018	-	10.50%	1 year from the date of first disbursement	Unsecured
	31 March 2017	10,00,000.00			
	01 April 2016	10,00,000.00			

Note - 19

Other financial liabilities

A Non-current

	31 March 2018	31 March 2017	01 April 2016
Security deposits from customers	-	8,50,000.00	9,50,000.00
Marked to market loss on forward contract	-	41,740.96	-
	-	**8,91,740.96**	**9,50,000.00**

B Current

	31 March 2018		31 March 2017		01 April 2016	
Current maturities of non-current secured borrowings		23,48,849.26		38,809.30		34,650.48
Interest accrued but not due on borrowings from:						
Inter-Corporate deposits	-		5,501.12		-	
Banks	40,300.18		31,774.06		23,012.05	
Others	-	40,300.18	3,883.56	41,158.74	94,131.15	1,17,143.20
Marked to market loss on forward contract		72,326.11		-		-
Expenses payable		6,060.86		9,170.80		10,424.38
		24,67,536.41		**89,138.84**		**1,62,218.06**

Note - 20

Provisions

A Non-current

	31 March 2018		31 March 2017		01 April 2016	
Provision for employee benefits:						
Gratuity	7,128.34		6,996.11		6,352.57	
Compensated absences	2,646.08	9,774.42	3,380.24	10,376.35	3,183.38	9,535.95
		9,774.42		**10,376.35**		**9,535.95**

B Current

	31 March 2018		31 March 2017		01 April 2016	
Provision for employee benefits:						
Gratuity	161.17		134.92		150.25	
Compensated absences	60.42	221.59	73.75	208.67	70.82	221.07
		221.59		**208.67**		**221.07**

Note - 21

Trade payables - Current

	31 March 2018	31 March 2017	01 April 2016
Due to micro and small enterprises*	-	-	-
Due to others	21,282.28	34,881.79	41,057.95
	21,282.28	**34,881.79**	**41,057.95**

***Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):**

	Particulars	31 March 2018	31 March 2017	01 April 2016
i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil	Nil
ii)	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil
iii)	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	Nil	Nil	Nil
iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil	Nil
v)	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	Nil	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note - 22

Other current liabilities

	31 March 2018	31 March 2017	01 April 2016
Payable to statutory authorities	1,58,890.85	12,584.23	13,294.18
	1,58,890.85	**12,584.23**	**13,294.18**

AIRMID AVIATION SERVICES LIMITED
(Formerly Airmid Aviation Services Private Limited)

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

All amount in ₹ thousands, unless otherwise stated

		31 March 2018		31 March 2017
Note - 23				
Revenue from operations				
Air transportation services		2,16,011.29		3,28,143.53
Pilot hiring income		837.88		525.00
Other operating income				
Income from advisory services		5,00,000.00		-
Interest from customers on overdue balances		1,673.18		12,425.20
		7,18,522.35		**3,41,093.73**
Note - 24				
Other income				
Dividend on units of mutual funds		-		47.19
Interest income on fixed deposits		1,418.68		2,858.40
Profit on sale of investments, net		441.33		300.52
Profit on sale of property, plant and equipment		1,62,190.80		-
Foreign exchange gain, net		-		84.84
Miscellaneous income		3,500.84		0.01
		1,67,551.65		**3,290.96**
Note - 25				
Operating expenses				
Professional charges		16,862.79		15,112.25
Travelling and conveyance expenses		5,025.44		8,034.54
Power and fuel expenses		30,702.48		37,569.30
Aircraft maintenance charges		92,371.22		1,09,683.17
Crew accommodation charges		7,078.90		6,695.73
Landing and handling charges		25,893.73		35,539.41
Navigation and flight planning charges		6,640.76		9,902.64
Subscription charges		8,139.35		11,120.65
Catering expenses		3,098.17		4,498.81
Hire charges		2,326.73		3,997.08
Training expenses		8,083.37		7,879.36
		2,06,222.94		**2,50,032.94**
Note - 26				
Employee benefits expense				
Salaries and wages	60,391.44		68,204.94	
Bonus and ex-gratia	30.00		-	
Gratuity and leave encashment	3,248.37	63,669.81	2,056.48	70,261.42
Contribution to provident fund		73.98		71.10
Staff welfare expenses		4,487.59		5,698.32
		68,231.38		**76,030.84**
Note - 27				
Finance costs				
Marked to market loss on forward contract		30,585.16		41,740.96
Interest expenses				
Interest on inter-corporate deposits	1,22,612.36		46,877.29	
Interest on term loan & OD facility	1,91,083.78		2,49,364.88	
Interest expenses on taxation	0.98		0.11	
Others	0.07	3,13,697.19	0.13	2,96,242.41
		3,44,282.35		**3,37,983.37**
Note - 28				
Other expenses				
Bank charges		336.08		236.67
Auditor's remuneration - as auditors *(refer note (i) below)*		250.00		251.25
Books and periodicals		-		98.94
Communication expenses		684.23		2,404.76
Foreign exchange losses- realized		1.13		148.20
Insurance expenses		7,677.78		8,974.43
Legal and professional charges		1,563.51		160.43
Loss on sale/written off of fixed assets		-		393.52
Power and fuel expenses		30.79		100.46
Printing and stationery		185.62		419.06
Provisions for bad & doubtful debts		1,32,703.37		-
Rates and taxes		477.12		485.70
Repairs and maintenance				
Vehicles	324.15		357.55	
Others	22.21	346.36	756.72	1,114.27
Traveling and conveyance expenses		71.90		160.88
Miscellaneous expenses		307.36		570.43
Customer incentive and other charges		605.32		-
		1,45,240.57		**15,519.00**
(i) **Details of payments to auditors***				
Audit fee		250.00		251.25
Other matters fee		-		-
		250.00		**251.25**

** Including swachh bharat cess*

All amount in ₹ thousands, unless otherwise stated

	31 March 2018	31 March 2017
Note - 29		
Income tax		
Tax expense comprises of:		
Deferred tax charge/(credit)	(3,198.40)	(12,159.93)
Income tax expense reported in the statement of profit and loss	**(3,198.40)**	**(12,159.93)**

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 34.608% (31 March 2017: 34.608%) and the reported tax expense in statement of profit and loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Accounting profit/(loss) before income tax	(7,264.58)	(4,64,616.63)
At statutory income tax rate of 34.608% (31 March 2017 : 34.608%)	-	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Deferred tax impact on income taxable at the time of its realisation	(3,198.40)	(12,159.93)
Income tax expense	**(3,198.40)**	**(12,159.93)**

The company has not created deferred tax assets on unabsorbed business losses to the tune of ₹22,21,321.20 thousands (31 March 2017: ₹22,19,169.82 thousands; 01 April 2016: ₹12.67,320.04 thousands) as there in no convincing evidences which demonstrates probability of realization of deferred tax asset in the near future.

Note - 30

Earnings per share ("EPS")

The Company's Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

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

	31 March 2018	31 March 2017
Loss attributable to equity holders	(4,066.18)	(4,52,456.70)
Weighted average number of equity shares for basic and diluted earnings per share	1,00,00,000	1,00,00,000
Earnings per equity share of face value ₹10/-		
(1) Basic (₹)	(0.41)	(45.25)
(2) Diluted (₹)	(0.41)	(45.25)

Note - 31

Fair value measurements

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the financial statements are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: unobservable inputs for the asset or liability.

ii) Financial assets measured at fair value

31 March 2018	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	50,056.55	-	-	50,056.55
Total financial assets	**50,056.55**	**-**	**-**	**50,056.55**

Financial assets measured at fair value

31 March 2017	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	-	-	-	-
Total financial assets	-	-	-	-

Financial assets measured at fair value

01 April 2016	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	-	-	-	-
Total financial assets	-	-	-	-

(iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include -
(i) Use of net asset value for mutual funds on the basis of the statement received from investee party.

Note - 32

Financial risk management

i) Financial instruments by category

	31 March 2018			31 March 2017			01 April 2016		
	FVTPL*	**FVOCI#**	**Amortised cost**	**FVTPL***	**FVOCI#**	**Amortised cost**	**FVTPL***	**FVOCI#**	**Amortised cost**
Financial assets									
Investments									
Mutual funds	50,056.55	-	-	-	-	-	-	-	
Trade receivables	-	-	5,49,794.51	-	-	1,64,709.95	-	-	2,39,787.20
Cash and cash equivalents	-	-	67,621.86	-	-	21,908.00	-	-	28,421.78
Other bank balances	-	-	-	-	-	29,670.67	-	-	52,795.87
Security deposits	-	-	13,825.00		-	14,175.00		-	14,889.99
Other financial assets	-	-	83.33	-	-	121.21	-	-	393.03
Total financial assets	**50,056.55**	**-**	**6,31,324.70**	**-**	**-**	**2,30,584.83**	**-**	**-**	**3,36,287.87**

	31 March 2018			31 March 2017			01 April 2016		
	FVTPL*	**FVOCI#**	**Amortised cost**	**FVTPL***	**FVOCI#**	**Amortised cost**	**FVTPL***	**FVOCI#**	**Amortised cost**
Financial liabilities									
Borrowings (including interest accrued)	-	-	49,05,611.33	-	-	47,12,024.65	-	-	42,97,176.47
Trade payables	-	-	21,282.28	-	-	34,881.79	-	-	41,057.95
Security deposits	-	-	-	-	-	8,50,000.00	-	-	9,50,000.00
Other financial liabilities	-	-	1,18,687.15	-	-	92,070.50	-	-	1,27,567.58
Total financial liabilities	**-**	**-**	**50,45,580.76**	**-**	**-**	**56,88,976.94**	**-**	**-**	**54,15,802.00**

** These financial assets are mandatorily measured at fair value.*
 # These financial assets represents investment in equity instruments designated as such upon initial recognition.

ii) Financial instruments measured at amortised cost

For amortised cost instruments, carrying value represents the best estimate of fair value except for long-term financial assets.

iii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.
A: Low credit risk
B: Moderate credit risk
C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans, security deposits, investments(short -term) and other financial assets	12 month expected credit loss/Life time expected credit loss
B: High credit risk	Trade receivables	Life time expected credit loss or fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Assets under credit risk –

Credit rating	Particulars	31 March 2018	31 March 2017	01 April 2016
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans, security deposits, investments(short -term) and other financial assets	6,81,381.25	2,30,584.83	3,36,287.87
B: High credit risk	Trade receivables	1,32,703.37	-	-

ii) Concentration of financial assets

The Company's principal business activities are aviation services, all other related activities. The Company's outstanding receivables are for aviation and advisory services. Loans and other financial assets majorly represents short-term loans to others and deposits given for business purposes.

b) Credit risk exposure

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2018

Particulars	**Estimated gross carrying amount**	**Expected credit losses**	**Carrying amount net of impairment**
Cash and cash equivalents	67,621.86	-	67,621.86
Security deposits	13,825.00	-	13,825.00
Other financial assets	83.33	-	83.33

As at 31 March 2017

Particulars	**Estimated gross carrying amount**	**Expected credit losses**	**Carrying amount net of impairment**
Cash and cash equivalents	21,908.00	-	21,908.00
Security deposits	14,175.00	-	14,175.00
Other bank balances	29,670.67	-	29,670.67
Other financial assets	121.21	-	121.21

As at 01 April 2016

Particulars	**Estimated gross carrying amount**	**Expected credit losses**	**Carrying amount net of impairment**
Cash and cash equivalents	28,421.78	-	28,421.78
Security deposits	14,889.99	-	14,889.99
Other bank balances	52,795.87	-	52,795.87
Other financial assets	393.03	-	393.03

Expected credit loss for trade receivables under simplified approach

Air transportation services receivables

The Company considers provision for lifetime expected credit loss. Given the nature of business operations, the Company's receivables from air transportation business has low credit risk. Based upon historical loss experience and forward looking information, the Company has provided expected credit loss in relation to receivables from air transportation services.

Reconciliation of loss allowance	**Trade receivables**
Loss allowance as on 01 April 2016	**-**
Impairment loss recognised during the year	-
Loss allowance as on 31 March 2017	**-**
Impairment loss recognised during the year	1,32,703.37
Loss allowance as on 31 March 2018	**1,32,703.37**

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

31 March 2018	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 3 years**	**More than 3 years**	**Total**
Non-derivatives					
Borrowings:	48,17,968.01	16,673.89	18,677.25	52,292.18	**49,05,611.33**
Trade Payables	21,282.28	-	-	-	**21,282.28**
Other Financials Liabilities	1,18,687.15	-	-	-	**1,18,687.15**
Total	**49,57,937.44**	**16,673.89**	**18,677.25**	**52,292.18**	**50,45,580.76**

31 March 2017	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 3 years**	**More than 3 years**	**Total**
Non-derivatives					
Borrowings:	20,56,536.26	2,73,755.19	16,673.89	23,65,059.31	**47,12,024.65**
Trade Payables	34,881.79	-	-	-	**34,881.79**
Security deposits	8,50,000.00	-	-	-	**8,50,000.00**
Other Financials Liabilities	92,070.50	-	-	-	**92,070.50**
Total	**30,33,488.55**	**2,73,755.19**	**16,673.89**	**23,65,059.31**	**56,88,976.94**

01 April 2016	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 3 years**	**More than 3 years**	**Total**
Non-derivatives					
Borrowings:	14,43,241.26	1,50,082.05	2,73,755.19	24,30,097.97	**42,97,176.47**
Trade Payables	41,057.95	-	-	-	**41,057.95**
Security deposits	9,50,000.00	-	-	-	**9,50,000.00**
Other Financials Liabilities	1,27,567.58	-	-	-	**1,27,567.58**
Total	**25,61,866.79**	**1,50,082.05**	**2,73,755.19**	**24,30,097.97**	**54,15,802.00**

(C) Market risk

(i) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Indian Rupee is the Company's functional currency. As a consequence, the Company's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. The Company has very limited foreign currency exposure mainly due to incurrence of some expenses. The Company may use foreign exchange option contracts or forward contracts towards operational exposures resulting from changes in foreign currency exchange rates exposure. These foreign exchange contracts, carried at fair value, may have varying maturities depending upon the primary host contract requirement. The Company manages its foreign currency risk by hedging appropriate percentage of its foreign currency exposure, as approved by the Board as per established risk management policy.

Foreign currency risk exposure:

Particulars	Currency	31 March 2018	31 March 2017	01 April 2016
Trade payables	USD	6,391.89	8,392.41	19,415.14
	GBP	893.78	-	538.34
	EUR	-	-	375.61
Buyer Credit	USD	16,91,146.60	16,85,803.60	23,87,984.40
Interest payable on buyers credit	USD	40,267.50	31,667.17	22,849.69

Sensitivity

The sensitivity of profit or loss to changes in the exchange rate arises mainly from foreign currency denominated financial instruments.

Particulars	Currency	Exchange rate increase by 1%		Exchange rate decrease by 1%	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
Trade payables	USD	63.92	83.92	(63.92)	(83.92)
	GBP	8.94	-	(8.94)	-
Buyer Credit	USD	16,911.47	16,858.04	(16,911.47)	(16,858.04)
Interest payable on buyers credit	USD	402.68	316.67	(402.68)	(316.67)

(ii) Interest rate risk

The Company fixed rate borrowing are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company variable rate borrowings is subject to interest rate. Below is the overall exposure of the borrowings:

Particulars	31 March 2018	31 March 2017	01 April 2016
Variable rate borrowing	24,63,926.25	3,96,093.84	5,46,338.25
Fixed rate borrowing	24,41,685.07	43,15,930.81	37,50,838.22
Total borrowing	**49,05,611.32**	**47,12,024.65**	**42,97,176.47**

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

Particulars	31 March 2018	31 March 2017
Interest rates - increase by 1% (31 March 2018 : 1%)	24,639.26	3,960.94
Interest rates - decrease by 1% (31 March 2018 : 1%)	(24,639.26)	(3,960.94)

Price risk

The Company exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at the fair value through profit or loss. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company profit for the periods-

Particulars	31 March 2018	31 March 2017
Price sensitivity		
Mutual fund		
Price increase by (2%) - FVTPL instrument	1,001.13	-
Price decrease by (2%) - FVTPL instrument	(1,001.13)	-

AIRMID AVIATION SERVICES LIMITED
(Formerly Airmid Aviation Services Private Limited)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018
Note - 33
Explanation of transition to Ind AS
A Reconciliation of total equity as at 31 March 2017 and 01 April 2016

All amount in ₹ thousands, unless otherwise stated

Particulars	31 March 2017			01 April 2016		
	Previous GAAP*	**Effect of transition to Ind AS**	**Ind AS**	**Previous GAAP***	**Effect of transition to Ind AS**	**Ind AS**
Non-current assets						
Property, plant and equipment	41,70,419.97	(22,42,044.75)	19,28,375.22	43,50,417.25	(23,32,804.57)	20,17,612.68
Financial Assets						
Loans	14,175.00	-	14,175.00	14,889.99	-	14,889.99
Deferred tax assets, net	47,832.52	(3,198.40)	44,634.12	47,832.52	(15,358.33)	32,474.19
Non-current Tax Assets (Net)	1,30,234.38	-	1,30,234.38	1,18,437.37	-	1,18,437.37
Other non-current assets	6,83,428.30	(6,83,428.30)	-	123.85	-	123.85
Total of Non-current assets	**50,46,090.17**	**(29,28,671.45)**	**21,17,418.72**	**45,31,700.98**	**(23,48,162.90)**	**21,83,538.08**
Current assets						
Financial Assets						
Trade receivables	1,64,709.95	-	1,64,709.95	2,39,787.20	-	2,39,787.20
Cash and cash equivalents	21,908.00	-	21,908.00	28,421.78	-	28,421.78
Other bank balances	29,670.67	-	29,670.67	52,795.87	-	52,795.87
Other financial assets	121.21	-	121.21	393.03	-	393.03
Other current assets	25,800.09	-	25,800.09	33,510.56	-	33,510.56
Total of current assets	**2,42,209.92**	**-**	**2,42,209.92**	**3,54,908.44**	-	**3,54,908.44**
Total of Assets	**52,88,300.09**	**(29,28,671.45)**	**23,59,628.64**	**48,86,609.42**	**(23,48,162.90)**	**25,38,446.52**

Particulars	31 March 2017			01 April 2016		
	Previous GAAP*	**Effect of transition to Ind AS**	**Ind AS**	**Previous GAAP***	**Effect of transition to Ind AS**	**Ind AS**
Equity						
Equity share capital	1,00,000.00	-	1,00,000.00	1,00,000.00	-	1,00,000.00
Other equity	(12,57,932.69)	(21,94,584.86)	(34,52,517.55)	(7,42,196.36)	(22,58,210.31)	(30,00,406.67)
Total equity	**(11,57,932.69)**	**(21,94,584.86)**	**(33,52,517.55)**	**(6,42,196.36)**	**(22,58,210.31)**	**(29,00,406.67)**
Liabilities						
Non-current liabilities						
Financial liabilities						
Borrowings	26,91,474.15	(35,985.75)	26,55,488.40	33,43,197.47	(80,671.49)	32,62,525.98
Other financial liabilities	15,80,600.00	(6,88,859.04)	8,91,740.96	9,50,000.00	-	9,50,000.00
Provisions	10,376.35	-	10,376.35	9,535.95	-	9,535.95
Total non-current Liabilities	**42,82,450.50**	**(7,24,844.79)**	**35,57,605.71**	**43,02,733.42**	**(80,671.49)**	**42,22,061.93**
Current liabilities						
Financial liabilities						
Borrowings	20,26,968.75	(9,241.80)	20,17,726.95	10,00,000.00	-	10,00,000.00
Trade payables	34,881.79	-	34,881.79	41,057.95	-	41,057.95
Other financial liabilities	89,138.84	-	89,138.84	1,71,499.16	(9,281.10)	1,62,218.06
Other current liabilities	12,584.23	-	12,584.23	13,294.18	-	13,294.18
Provisions	208.67	-	208.67	221.07	-	221.07
Total current liabilities	**21,63,782.28**	**(9,241.80)**	**21,54,540.48**	**12,26,072.36**	(9,281.10)	**12,16,791.26**
Total equity and liabilities	**52,88,300.09**	**(29,28,671.45)**	**23,59,628.64**	**48,86,609.42**	**(23,48,162.90)**	**25,38,446.52**

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

AIRMID AVIATION SERVICES LIMITED

(Formerly Airmid Aviation Services Private Limited)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

B Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Previous GAAP*	Effect of transition to Ind AS	Ind AS
Revenue from operations	3,41,093.73	-	3,41,093.73
Other income	3,290.96	-	3,290.96
Total revenue	**3,44,384.69**	**-**	**3,44,384.69**
Expenses			
Operative expense	2,50,032.94	-	2,50,032.94
Employee benefits expense	75,685.02	345.82	76,030.84
Finance costs	2,51,517.36	86,466.01	3,37,983.37
Depreciation and amortisation expense	2,67,366.70	(1,37,931.53)	1,29,435.17
Other expenses	15,519.00	-	15,519.00
Total expenses	**8,60,121.02**	**(51,119.70)**	**8,09,001.32**
		-	
Loss before tax	**(5,15,736.33)**	**51,119.70**	**(4,64,616.63)**
Tax expense:			
Deferred tax	-	(12,159.93)	(12,159.93)
Profit/(loss) for the year	**(5,15,736.33)**	**63,279.63**	**(4,52,456.70)**
Other Comprehensive Income		-	
A (i) Items that will not be reclassified to profit or loss	-	345.82	345.82
Total Comprehensive Income for the period	**(5,15,736.33)**	**63,625.45**	**(4,52,110.88)**

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

AIRMID AVIATION SERVICES LIMITED
(Formerly Airmid Aviation Services Private Limited)
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

C First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out have been applied consistently in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

D Ind AS optional exemptions

1 Deemed cost for property, plant and equipment.

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipments as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly the Company has elected to measure all of its property, plant and equipments at their previous GAAP carrying value except for a class of assets (i.e. aircrafts) refer note - 33(F)(1.2).

E Ind AS mandatory exemptions

1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 01 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

a) Investment in equity instruments carried at FVTPL or FVOCI
b) Impairment of financial assets based on expected credit loss model.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition. Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The Company has availed the exemption for inter-corporate loans. All the other financial assets and financial liabilities have been restated retrospectively.

F Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

1 Reconciliation of total equity as at 31 March 2017 and 1 April 2016 — **All amount in ₹ thousands, unless otherwise stated**

	Notes to first time adoption	31 March 2017	01 April 2016
Total equity (shareholder's funds) as per previous GAAP		(11,57,932.69)	(6,42,196.36)
Adjustments:			
Impact of effective interest rate adjustment on borrowings	Note – 1	45,227.54	89,952.59
Impact of revaluation of Property, plant and equipment	Note – 2	(22,42,044.75)	(23,32,804.57)
Impact reversal of Hedge	Note – 1	5,430.73	-
Tax impact on above adjustments	Note – 3	(3,198.40)	(15,358.32)
Total adjustments		**(21,94,584.86)**	**(22,58,210.30)**
Total equity as per Ind AS		**(33,52,517.55)**	**(29,00,406.66)**

2 Reconciliation of total comprehensive income for the year ended 31 March 2017 — **All amount in ₹ thousands, unless otherwise stated**

	Notes to first time adoption	31 March 2017
Profit after tax as per previous GAAP		**(5,15,736.33)**
Adjustments:		
Impact of effective interest rate adjustment on borrowings	Note – 1	(44,725.06)
Impact of depreciation on revaluation of Property, plant and equipment	Note – 2	1,37,931.53
Tax impact on above adjustments	Note – 3	12,159.93
Impact of marked to market loss	Note – 1	(41,740.96)
Total adjustments		**63,625.44**
Total comprehensive income		**(4,52,110.89)**

3 Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2017

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash used in operating activities	(34,875.43)	-	(34,875.43)
Net cash flow from investing activities	(68,054.73)	-	(68,054.73)
Net cash flow from financing activities	96,416.38	-	96,416.38
Net increase in cash and cash equivalents	**(6,513.78)**	**-**	**(6,513.78)**
Cash and cash equivalents as at 01 April 2016	28,421.78	-	28,421.78
Cash and cash equivalents as at 31 March 2017	**21,908.00**	**-**	**21,908.00**

Note - 34
Capital Management

The Company's objectives when managing capital are:
- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by overseeing the following ratio –

Debt equity ratio **(₹ *in thousands)***

	31 March 2018	31 March 2017	1 April 2016
Net debt *	47,87,932.92	46,60,445.98	42,15,958.83
Total equity	(33,54,668.93)	(33,52,517.55)	(29,00,406.67)
Net debt to equity ratio	**(1.43)**	**(1.39)**	**(1.45)**

***** Net debt includes long term borrowings + short term borrowings + current maturity of long term borrowings net off cash and cash equivalents (Including fixed deposits and other liquid securities).

Note - 35
Related party transactions

i) Name and nature of relationship with related parties:

Relationship	Name of the related parties
a) Related parties exercising control	
Holding Company	Albasta Wholesale Services Limited (from 23 December 2014)
Ultimate Holding Company	SORIL Holdings and Ventures Limited (Formerly Indiabulls Wholesale Services Limited (from 23 December 2014)
b) Other related parties	
Fellow Subsidiary Companies*	SORIL Infra Resources Limited (Formerly Store One Retail India Limited)
	Sentia Properties Limited

*With whom the transaction has been made during the year.

ii) Statement of material transaction with related parties: **(₹ *in thousands)***

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Inter Corporate Deposits taken/(repaid), net		
Ultimate Holding Company		
SORIL Holdings and Ventures Limited	(5,900.00)	237,117.00
Holding Company		
Albasta Wholesale Services Limited	124,750.00	241,383.00
Fellow Subsidiary Company		
SORIL Infra Resources Limited	(30,000.00)	95,500.00
Sentia Properties Limited	111,300.00	
Revenue from Passenger Air Transportation		
Fellow Subsidiary Company		
SORIL Infra Resources Limited*	50,370.00	137,238.95

Interest Expense on Inter Corporate Deposits taken		
Holding Company		
Albasta Wholesale Services Limited	33,397.42	6,112.37
Fellow Subsidiary Company		
SORIL Infra Resources Limited	6,716.10	5,341.07
Sentia Properties Limited	4,684.96	-

Disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed.

(iii) Statement of balances outstanding: ***(₹ in thousands)***

Particulars	**As at 31 March 2018**	**As at 31 March 2017**	**As at 01 April 2016**
Inter Corporate Deposit taken from:			
Holding Company			
Albasta Wholesale Services Limited	384,321.75	259,571.75	18,188.75
Ultimate Holding Company			
SORIL Holdings and Ventures Limited	665,997.00	671,897.00	4,34,780.00
Fellow Subsidiary Company			
SORIL Infra Resources Limited	65,500.00	95,500.00	-
Sentia Properties Limited	111,300.00	-	-
Interest payable on inter corporate deposit			
Holding Company			
Albasta Wholesale Services Limited	-	5,501.13	-
Trade Receivables			
Fellow Subsidiary Company			
SORIL Infra Resources Limited	-	-	25,762.50

Note - 36
Contingent liabilities and commitments
As per the best estimate of the management, no provision is required to be made in respect of any present obligation since the company has got a good and strong case in its favor as the exemption claimed from levy of customs duty availed as per Custom Duty Act.
There are no other contingent liabilities and commitments to be reported as at 31 March 2018, 31 March 2017 and 01 April 2016.

Note - 37
Employee benefits

Defined contribution plan
The Company has made ₹36.35 thousands (31 March 2017: ₹41.69 thousands) contribution in respect of provident fund.

Defined benefit plan
The Company has following defined benefit plans:
- Gratuity (unfunded)
- Compensated absences (unfunded)

Risks associated with plan provisions

Discount rate risk	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality risk	Actual death & liability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Salary risk	Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Withdrawal risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Compensated absence

The leave obligations cover the Company's liability for permitted leaves. The amount of provision of ₹60.42 thousands (31 March 2017 - ₹73.75 thousands, 1 April 2016 - ₹70.82 thousands) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligation is 15.99 years (31 March 2017: 16.04 years).

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a non-funded plan. The weighted average duration of the defined benefit obligation is 15.99 years (31 March 2017: 16.04 years)

Actuarial (gain)/loss on obligation: ***(₹ in thousands)***

Particulars	**Gratuity**		**Compensated absence**	
	For the year ended		**For the year ended**	
	31 March 2018	**31 March 2017**	**31 March 2018**	**31 March 2017**
Actuarial (gain)/loss on arising from change in demographic assumption	Nil	Nil	Nil	Nil
Actuarial (gain)/loss on arising from change in financial assumption	(135.77)	168.30	(51.09)	83.34
Actuarial (gain)/loss on arising from change in experience assumption	(1,779.04)	(514.12)	(1,442.16)	(901.92)

Amount recognized in the statement of profit and loss is as under: ***(₹ in thousands)***

Particulars	**Gratuity**		**Compensated absences**	
	For the year ended		**For the year ended**	
	31 March 2018	**31 March 2017**	**31 March 2018**	**31 March 2017**
Service cost	2,460.30	1,352.73	486.37	766.16
Net interest cost	535.54	503.97	259.39	252.20
Expenses recognized/(reversed) in the statement of profit and loss	**2,995.84**	**1856.70**	**745.76**	**1018.36**

Movement in the liability recognized in the balance sheet is as under: ***(₹ in thousands)***

Particulars	**Gratuity**		**Compensated absences**	
	As at		**As at**	
	31 March 2018	**31 March 2017**	**31 March 2018**	**31 March 2017**
Present value of defined benefit obligation at the beginning of the year	7,131.03	6,502.81	3,453.98	3254.20
Current service cost	2,460.30	1,352.73	486.37	766.16
Interest cost	535.54	503.97	259.39	252.20
Actuarial (gain)/loss on obligation	(1,914.80)	(345.82)	(1,493.24)	(818.58)
Benefits Paid	(922.56)	(882.66)	-	-
Present value of defined benefit obligation at the end of the year	**7,289.51**	**7,131.03**	**2,706.50**	**3,453.98**

Bifurcation of projected benefit obligation at the end of the year in current and non-current ***(₹ in thousands)***

Particulars	**Gratuity**		**Compensated absence**	
	As at		**As at**	
	31 March 2018	**31 March 2017**	**31 March 2018**	**31 March 2017**
Current liability (amount due within one year)	161.17	134.92	60.42	73.75
Non-current liability (amount due over one year)	7128.34	6,996.11	2646.08	3,380.24
Total projected benefits obligation at the end of the year	**7,289.51**	**7,131.03**	**2,706.50**	**3,453.99**

For determination of liability of the Company, the following actuarial assumptions were used:

Particulars	**Gratuity**			**Compensated absence**		
	As at			**As at**		
	31 March 2018	**31 March 2017**	**01 April 2016**	**31 March 2018**	**31 March 2017**	**01 April 2016**
Discount rate	7.93%	7.51%	7.75%	7.93%	7.51%	7.75%
Salary escalation rate	5.25%	5.00%	5.00%	5.25%	5.00%	5.00%
Mortality table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.
These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan of defined benefit obligation ***(₹ in thousands)***

	Year	**31 March 2018**		**Year**	**31 March 2017**	
		Gratuity	**Compensated absence**		**Gratuity**	**Compensated absence**
a)	April 2018 – March 2019	161.17	60.42	April 2017 – March 2018	134.92	73.75
b)	April 2019 – March 2020	119.67	46.39	April 2018 – March 2019	95.58	59.49
c)	April 2020 – March 2021	125.26	46.48	April 2019 – March 2020	103.82	59.69
d)	April 2021 – March 2022	126.26	46.76	April 2020 – March 2021	989.44	521.21
e)	April 2022 – March 2023	127.35	46.88	April 2021 – March 2022	98.25	48.70
f)	April 2023 – March 2024	1,203.84	386.24	April 2022 – March 2023	101.65	48.80
g)	April 2024 onwards	5,425.96	2,073.32	April 2023 onwards	5,607.38	2,642.35

Sensitivity analysis of the defined benefit obligation ***(₹ in thousands)***

Particulars		**31 March 2018**		**31 March 2017**	
		Gratuity	**Compensated absence**	**Gratuity**	**Compensated absence**
Impact of change in discount rate					
	Present value of obligation at the end of the year	**7289.51**	**2706.50**	**7131.02**	**3453.98**
a)	Impact due to increase of 0.50%	(393.88)	(147.61)	(344.22)	(170.04)
b)	Impact due to decrease of 0.50%	427.75	160.14	372.54	184.58
Impact of change in salary increase					
	Present value of obligation at the end of the year	**7289.51**	**2706.50**	**7131.02**	**3453.98**
a)	Impact due to increase of 0.50%	436.96	163.58	379.93	188.25
b)	Impact due to decrease of 0.50%	(405.34)	(151.91)	(353.74)	(174.73)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Note – 38
Segmental information
The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. non-scheduled aircraft passenger services, including helicopter charter services, aircraft management consultancy and all other related and ancillary activities which as per Ind AS 108 on 'Operating Segments" is considered to be the only reportable business segment. The Company derives its major revenues from real estate project advisory business. The Company is operating in India which is considered as a single geographical segment

Note - 39
Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 – Cash flows

The changes in the Company's liabilities arising from financing activities can be classified as follows:

(₹ *in thousands)*

Particulars	Amount
Net debt as at 01 April 2016	**42,97,176.47**
Fair valuation impact	44,725.06
Proceeds from current borrowings	5,74,000.00
Repayment of current borrowings	(2,03,876.88)
Net debt as at 31 March 2017	**47,12,024.65**
Fair valuation impact	25,191.84
Proceeds from current borrowings	17,59,100.00
Repayment of current borrowings	(15,90,705.16)
Net debt as at 31 March 2018	**49,05,611.33**

Note - 40
Income and Expenditure in Foreign Currency on accrual basis:

(₹ *in thousands)*

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Expenses in foreign currency		
Aircraft maintenance	51,713.39	41,225.25
Finance charges	45,140.74	41,016.78
Other operating expenses	57,256.80	48,409.76
Total expenses in foreign currency	**1,54,110.93**	**130,651.79**
Income in foreign currency		
Revenue from passenger air transportation	-	-

Value of imports calculated on CIF basis: **(₹ *in thousands)***

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Spare parts and consumables	10,578.20	993.71
Total value of imports	**10,578.20**	**993.71**

Note – 41
During the previous year the Company has entered into derivative contract with Yes Bank for USD 10 million @ 73.06 dated 25 November 2016 expiring on 13 June 2018. The value of hedge and unheeded foreign currency exposure, as of reporting date, is as below:

(a) Hedge portion of foreign currency exposure:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016

	(In USD)	**(₹ in thousands)**	**(In USD)**	**(₹ in thousands)**	**(In USD)**	**(₹ in thousands)**
Buyers Credit	10,000,000	730,600.00	10,000,000	730,600.00	-	-

(b) Unhedge portion of foreign currency exposure:

Particulars	**As at 31 March 2018**		**As at 31 March 2017**		**As at 01 April 2016**	
	(In USD)	**(₹ in thousands)**	**(In USD)**	**(₹ in thousands)**	**(In USD)**	**(₹ in thousands)**
Trade payables	98,276	6,391.89	129,435	8,392.41	292,693	19,415.14
Security Deposits	-	-	-	-	15,000	994.99
Buyers Credit	26,000,000	1,691,146.60	26,000,000	1,685,803.60	36,000,000	2,387,984.40
Interest Payable on Buyers Credit	619,080	40,267.50	488,400	31,667.17	344,470	22,849.69

Particulars	**As at 31 March 2018**		**As at 31 March 2017**		**As at 01 April 2016**	
	(In GBP)	**(₹ in thousands)**	**(In GBP)**	**(₹ in thousands)**	**(In GBP)**	**(₹ in thousands)**
Trade payables	9,685	893.78	-	-	5,662	538.34

Note – 42
Other matters

a. In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2018, 31 March 2017 and 01 April 2016.

b. In the opinion of the Board of Directors, all current assets and long term loans & advances, appearing in the balance sheet as at 31 March 2018, have a value on realization, in the ordinary course of the Company's business, at least equal to the amount at which they are stated in the financial statements. In the opinion of the board of directors, no provision is required to be made against the recoverability of these balances.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number: 005975N

Vikas Aggarwal
Partner

Place: Gurugram
Date: 30 April 2018

For and on behalf of the Board of Directors

Anil Malhan
Director
[DIN: 01542646]

Gurbans Singh
Director
[DIN: 06667127]

Gagandeep
Company Secretary

Saurabh Garg
Chief Financial Officer