

NOTICE

Notice is hereby given that the 30th Annual General Meeting of Members of ADVANCED SYS-TEK PRIVATE LIMITED will be held at 299/300, GIDC, Makarpura, Vadodara - 390 010 on Saturday, 29th September, 2018 at 11.00 A.M to transact the following business:

ORDINARY BUSINESS:

01. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2018 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and the Auditors' thereon.
02. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. CNK & Associates, Chartered Accountants (Firm Registration No. 101961W/W-100036), be and is hereby appointed as Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013, (the "Act"), the Companies (Audit and Auditors) Rules, 2014 and such other applicable provisions, if any, of the Act or Rules framed there under from the conclusion of this 30th Annual General Meeting till the conclusion of the 35th Annual General Meeting (2022-23) of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to fix the remuneration payable and the reimbursement of out-of-pocket expenses, if any, to the said Auditors."

PLACE: VADODARA

DATE : 17.09.2018

By the Order of Board of Directors of
ADVANCED SYS-TEK PRIVATE LIMITED



UMED FIFADRA
CHAIRMAN

NOTE: A MEMBER ENTITLED TO ATTEND THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF TO ATTEND AND VOTE AT THE MEETING AND THE PROXY NEED NOT BE A MEMBER.

BOARD'S REPORT

To,
Members of ADVANCED SYS-TEK PRIVATE LIMITED

Your Directors are pleased to present the 30th Annual Report together with Audited Statement of Accounts for the year ended on 31st March 2018.

01. FINANCIAL HIGHLIGHTS:

(Amt. in Rs.)

	YEAR ENDED ON 31-03-2018	YEAR ENDED ON 31-03-2017
Total Income	95,26,87,656	127,33,45,089
Loss before Depreciation	19,63,41,801	12,40,61,180
Depreciation	62,42,299	65,97,763
Loss before tax	20,25,84,100	13,06,58,943
Provision for Income Tax & Deferred Tax	-	5,59,59,466
Loss after Tax	20,25,84,100	18,66,18,409

02. BRIEF DESCRIPTION OF THE COMPANYS WORKING DURING THE YEAR:

The Company for the year ended March 31, 2018 recorded a turnover of Rs. 9,526.87 lakhs, as against Rs. 12,733.45 lakhs for the year ended March 31, 2017. The loss before tax is Rs. 2,025.84 Lakhs for the year ended March 31, 2018 as against Rs. 1,866.18 lakhs for the previous year.

During the year, the Company has ceased to be a GE group Company w.e.f 01/01/2018 and now the Company is owned and managed by the original promoters of the Company. GE and promoters of the Company have infused fresh capital in the Company to cover up the losses incurred by the Company.

The Company has a noteworthy backlog of about Rs 145 Crore as at 31st March 2018 and the Board expect that for the Financial Year 2018-2019, the Company shall post a decent profit. Various measures are taken in terms of cost saving and contract management to achieve the Turnover target of Rs 100 crore plus and profit of Rs 10 crore plus for the Financial year 2018-2019.

03. RESERVES:

During the year under review the Company incurred a loss of Rs. 2,025.84 lakhs and the same was carried over to the reserves.

04. DIVIDEND:

Your directors do not recommend any dividend in view of loss incurred by the Company.

05. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relates on the date of this report.

Advanced Systemek Pvt. Ltd.

Regd. Off. : 299 / 300, GIDC, Makarpura, Vadodara-390 010, INDIA

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06. CHANGE IN THE NATURE OF BUSINESS :

There is no change in the nature of the business of the Company done during the period.

07. EXTRACT OF ANNUAL RETURN :

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure "A".

08. NUMBER OF BOARD MEETINGS HELD :

The Board of Directors duly met 9 times during the financial year from 01st April, 2017 to 31st March, 2018.

09. SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANY:

~~The Company does not have any subsidiary, joint venture or associate Company.~~

10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for the same period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

11. RELATED PARTY TRANSACTIONS:

No related party transactions were entered during the financial year.

12. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS:

No Loan, Guarantees and investments covered under provision of Section 186 of the Companies Act, 2013.

13. PARTICULARS REGARDING CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies Accounts) Rules, 2014, is given in the Annexure "C" to this report.

14. DEPOSITS:

The Company has not accepted any fixed deposits and accordingly no amount was outstanding as on the date of the Balance Sheet.

15. DIRECTORS:

The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year. Mr. Amitkumar Sanghvi, Mr. Champak Kumar Panda and Mr. Gurumurthy Santhanakrishnan have resigned w.e.f 30th December, 2018.

16. AUDITORS:

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s. CNK & Associates, Chartered Accountants (Firm Registration No. 101961W/W-100036) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 for the period of 5 years till the conclusion of 35th Annual General Meeting of the Company.

17. AUDITOR'S REPORT:

No qualifications or adverse remarks have been made by Statutory Auditors in his report.

18. CORPORATE SOCIAL RESPONSIBILITY:

Your Company does not fall within the purview of Section 135 of the Companies Act, 2013.

19. COMPLIANCE OF SECRETARIAL STANDARD:

The Company has complied with the requirements of Secretarial Standards issued by the Institute of Company Secretaries of India.

20. RISK MANAGEMENT POLICY AND INTERNAL FINANCE CONTROL ADEQUACY:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks in achieving key objectives of the Company. The Company has developed and implemented Risk Management Policy of the Company to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The internal control systems are in commensurate with the nature, size and complexity of the business of the Company.

21. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM:

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meeting of the Board and its Power) Rules, 2014 are not applicable to the Company.



22. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Work place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, no complaints were reported to the Board.

23. ACKNOWLEDGEMENT/APPRECIATION:

Your directors express their thanks for the services rendered by the Government agencies, Banks and employees at all levels and all other concerned.

By the Order of Board of Directors of
ADVANCED SYS-TEK PRIVATE LIMITED

PLACE: VADODARA

DATE: 17.09.2018



UMED FIFADRA
CHAIRMAN

Annexure "A" to the Board's Report

Extract of Annual Return
Form No. MGT-9

AS ON THE FINANCIAL YEAR ENDED ON 31.03.2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	U33112GJ1988PTC010464
(ii)	Registration Date	16.03.1988
(iii)	Name of the Company	Advanced Sys-Tek Private Limited
(iv)	Category / Sub-category of the Company	Private Limited / Limited by Shares
(v)	Address of the Registered Office with Contact Details	299/300, GIDC, Makarpura, Vadodara - 390 010 Email id: Munjal.Jani@advancedsystemek.com
(vi)	Whether listed Company	No
(vii)	Name, Address and Contact details of Registrar and Transfer Agents if any	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of Main Products/Services	NIC Code of the Product/Service	% to total turnover of the Company
01.	Repair and installation of machinery and equipment	3311	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NA

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
N.A					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	648424	648424	33.00	-	3064922	3064922	100.00	67.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub - Total (A) (1)	-	648424	648424	33.00	-	3064922	3064922	100.00	67.00
(2) Foreign	-	-	-	-	-	-	-	-	-
NRIs - Individuals	-	-	-	-	-	-	-	-	-
Other - Individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate (Foreign Promoter)	-	1316498	1316498	67.00	-	-	-	-	(67.00)
Banks FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	1316498	1316498	67.00	-	-	-	-	(67.00)
Total shareholding of Promoter (A) = A(1)+A(2)	-	1964922	1964922	100.00	-	3064922	3064922	100.00	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-

d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) (Trust)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
NRI (Repatriable)	-	-	-	-	-	-	-	-	-
NRI (Non-Repatriable)	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-

She

Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)= B(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1964922	1964922	100.00	-	3064922	3064922	100.00	-

(ii) Shareholding of Promoters:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
1	Mr. Umed A Fifadra	324212	16.50	-	1532461	50.00	-	-
2	Mr. Mukesh R Kapadia	324212	16.50	-	1532461	50.00	-	-
3	GE Mauritius Infrastructure Holding	1316497	67.00	-	-	-	-	-
4	GE Pacific (Mauritius) Limited	1	0.00	-	-	-	-	-
	Total	1964922	100.00	-	3064922	100.00	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sr. No.	Name	Shareholding		Date of Transaction	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of shares at the beginning (01-04-2017/ end of the year (31-03-2018))	% of total shares of the Company				No. of shares	% of total shares of the company
01.	Umed Fifadra	324212	16.50	01.04.2017	-	-	-	-
				22.12.2017	500000	Allotment	824212	27.80
				29.12.2017	708249	Purchase	1532461	50.00
		1532461	50.00	31.03.2018	-	-	1532461	50.00

02.	Mukesh Kapadia	324212	16.50	01.04.2017	-	-	-	-
				22.12.2017	500000	Allotment	824212	27.80
				29.12.2017	708249	Purchase	1532461	50.00
		1532461	50.00	31.03.2018	-	-	1532461	50.00
03.	DI Netherlands BV	-	-	01.04.2017	-	-	-	-
				19.05.2017	1316497	Purchase	1316497	67.00
				27.12.2017	100000	Allotment	1416497	46.22
				29.12.2017	1416497	Sell	-	-
		-	-	31.03.2018	-	-	-	-
04.	GE Mauritius Infrastructure Limited	1316497	67.00	01.04.2017	-	-	-	-
				19.05.2017	1316497	Sell	-	-
		-	-	31.03.2018	-	-	-	-
05.	GE Pacific (Mauritius)	1	0.00	01.04.2017	-	-	-	-
				19.05.2017	1	Sell	-	-
		-	-	31.03.2018	-	-	-	-

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)	-	-	-	-



(v) Shareholding of Directors and Key managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	Mr. Umed Fifadra	324212	16.50	1532461	50.00
2	Mr. Mukesh Kapadia	324212	16.50	1532461	50.00
3	Mr. Champak Kumar Panda	-	-	-	-
4	Mr. Jaimin Upendra Shah	-	-	-	-
5	Mr. Amitkumar Ashokbhai Sanghvi	-	-	-	-
6	Mr. Gurumurthy Santhanakrishnan	-	-	-	-

Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Allotment of shares on 22.12.2017 Transfer of shares on 29.12.2017
At the End of the year	As appearing in the cumulative no. of shares column

(VI) INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Amt in Rs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	9,87,661	31,18,45,809		31,28,33,470
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	9,87,661	31,18,45,809		31,28,33,470
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	7,59,951	31,18,45,809	-	31,26,05,760
Net Change	(7,59,951)	(31,18,45,809)	-	(31,26,05,760)
Indebtedness at the end of the financial year				
i) Principal Amount	2,27,710	-	-	2,27,710
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,27,710	-		2,27,710

VI. REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL

A. Remuneration of Managing Director, Whole-time Directors and/or Manager

(Rs. In Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary (Rs. in Lacs)		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit (1%) - others, specify...	- -	-
5	Others, please specify - Bonus	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

B. Remuneration to other Directors: Not Paid

C. REMUNERATION OF KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WHOLETIME DIRECTOR: Not Paid

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

Advanced Systemek Pvt. Ltd.

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CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) Conservation of Energy :

- (i) the steps taken or impact on conservation of energy;
There has been reduction in the cost of production of goods
- (ii) the steps taken by the company for utilizing alternate sources of energy;
Switching off lights, lamps not required at given time.
Judicious use of water.
- (iii) the capital investment on energy conservation equipments; NA

(B) Technology absorption :

1.	The efforts made towards technology absorption	Efforts have been made to improve the quality of existing products.
2.	The benefit derived like product improvement, cost reduction, product development, import substitution	Quality has been improved of existing products which has resulted into increased customers' satisfaction.
3.	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)	N.A
4.	The expenditure incurred in research & development.	N.A

(C) Foreign exchange earnings and Outgo :

1.	Foreign Exchange Earned	Rs. 4,03,74,862/-
2.	Foreign Exchange Outgo	Rs. 19,95,833



Independent Auditor's Report**To the Members****ADVANCED SYS-TEK PRIVATE LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of ADVANCED SYS-TEK PRIVATE LIMITED ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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



judgment, 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 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 company as at 31 March 2018 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;



- (f) In our opinion, the Company has, in all material respects, internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2018, based on the internal control with reference to financial statements 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;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 27 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses - Refer Note 33, if any, on long-term contracts and the company does not have any derivative contracts.
 - iii. ~~There have been no such instances requiring transfer of any amounts to~~ the Investor Education and Protection Fund by the Company.

For C N K & Associates, LLP

Chartered Accountants

FRN: 101961W/W-100036

Alok Shah

Partner

Membership No: 042005

Vadodara, September 17, 2018



Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2018.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

1(a)	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
1(b)	As informed to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification for these assets. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
1(c)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company;
2(a)	As per the information and explanations given to us, the inventories held by the company have been physically verified by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable;
2(b)	In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and the discrepancies noticed on physical verification of the same were not material in relation to the operations of the Company and the same have been properly dealt with in the books of accounts;
3	According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, clause 3(a) , 3(b) and 3(c) are not applicable for the year;
4	In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made;
5	In our opinion and as explained to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. Accordingly, this clause of the order is not applicable to the company ;
6	According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records by the Company under section

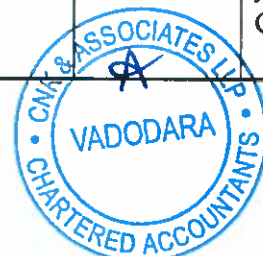


148(1) of the Companies Act, 2013, for any of the products sold or services rendered by the company. Accordingly, this clause of the order is not applicable to the company ;

7(a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, Goods and Service tax (GST) ,service tax, custom duty, excise-duty, value added tax, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2018, for a period of more than six months from the date they became payable;

7(b) According to the information and explanations given to us and the records examined by us, there are no dues of income tax, sales tax, Goods and Service tax(GST) wealth-tax, service tax, duty of customs, duty of excise, value added tax or cess that has not been deposited on account of disputes except the following;

Sr. No.	Name of the Statute	Nature of the Dues	Amount Involved (Rs.)	Amount Paid under Protest (Rs:)	Financial Year	Forum where Dispute is Pending
1	The Income-tax Act, 1961	Income-tax	101,312,409	11,773,367	2012-13	Commissioner of Income Tax (Appeals)
2	The Income-tax Act, 1961	Income-tax	86,830,836	10,680,026	2013-14	Commissioner of Income Tax (Appeals)
3	The Custom Act, 1962	Customs duty	14,716,873	3,500,000	2001-02	Customs, Excise and Service Tax Appellate Tribunal
4	The Custom Act, 1962	Customs duty	23,262	-	2006-07	Customs, Excise and Service Tax Appellate Tribunal
5	The Finance Act, 1994	Service Tax	7,788,327	7,788,327	2009-13	Commissioner of Service tax
6	Gujarat VAT Act, 2003	Sales tax	19,393,571	2,000,000	2009-10	Deputy Commissioner of Commercial Tax
7	Gujarat VAT Act, 2003	Sales tax	14,475	-	2009-10	Deputy Commissioner of Commercial Tax
8	Gujarat VAT Act, 2003	Sales tax	677,915	677,915	2006-07	Joint Commissioner of Commercial Tax (Appeals)
9	Gujarat VAT Act, 2003	Sales tax	489,113	-	2011-12	Joint Commissioner of



						Commercial Tax (Appeals)
10	Maharashtra VAT Act, 2002	Sales tax	1,121,110	250,000	2003-04	Sales tax Appellate Tribunal
11	Kerala VAT Act, 2003	Sales tax	1,236,357	371,000	2007-08	Kerala VAT Tribunal
12	Uttar Pradesh VAT Act, 2008	Sales tax	1,609,334	804,667	2010-11	Commissioner of Commercial Tax
13	Uttar Pradesh VAT Act, 2008	Sales tax	461,682	230,841	2012-13	Additional Commissioner of Commercial Tax
14	Uttar Pradesh VAT Act, 2008	Sales tax	5,526,820	2,763,410	2013-14	Additional Commissioner of Commercial Tax
15	Uttar Pradesh VAT Act, 2008	Sales tax	2,076,802	1,812,916	2009-10	Additional Commissioner of Commercial Tax
16	Uttar Pradesh VAT Act, 2008	Sales tax	67,509	-	2008-09	Additional Commissioner (Appeals)
17	West Bengal VAT Act, 2003	Sales tax	478,879	-	2009-10	Commissioner of Sales tax
18	Karnataka VAT Act, 2003	Sales tax	1,663,225	-	2010-11	Additional/Joint Commissioner of Commercial Tax
8	In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any dues to financial Institution or banks during the year . The company did not have any outstanding dues to debenture holders or borrowings from the government during the year ;					
9	According to the information and explanations given to us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) during the year and the term loans were applied for the purpose for which the loan were obtained during the year by the company;					
10	During the course of our examination of the books of account and records of the company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud by the Company or any fraud on the Company by its					



	officers or employees noticed or reported during the year, nor have we been informed of any such case by the management;
11	The company being a private limited company, the provisions of section 197 read with schedule V to the Act are not applicable to the company and accordingly reporting under this clause is not required;
12	In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, this clause of the Order is not applicable;
13	According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards;
14	According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made private placement of shares during the year and the requirement of section 42 of companies act 2013 have been complied with and the amount raised has been used for the purpose for which the funds were raised (Refer Note 43);
15	According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him and the provisions of section 192 of the Act have been complied with;
16	The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For C N K & Associates, LLP

Chartered Accountants

FRN: 101961W/W-100036

Alok Shah

Alok Shah

Partner

Membership No: 042005

Vadodara, September 17, 2018



Advanced Sys-Tek Private Limited (CIN No.U33112GJ1988PTC010464)

Balance sheet as at 31 March 2018

(All amounts are in Indian Rupees, unless otherwise stated)

	Note	As at 31 March 2018	As at 31 March 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	30,649,220	19,649,220
Reserve and surplus	4	657,836,196	121,420,297
		<u>688,485,416</u>	<u>141,069,517</u>
Non-current liabilities			
Long-term borrowings	5	227,710	987,661
Long-term provisions	6	27,556,329	22,010,835
		<u>27,784,039</u>	<u>22,998,496</u>
Current liabilities			
Short term borrowings	7	-	318,445,809
Trade payables	8		
-total outstanding dues of micro enterprises and small enterprises		26,795,741	54,087,638
-total outstanding dues of creditors other than micro enterprises and small enterprises		187,614,852	350,431,268
Other current liabilities	9	39,551,991	191,214,082
Short-term provisions	6	91,246,119	61,932,682
		<u>345,208,703</u>	<u>976,111,479</u>
		<u>1,061,478,158</u>	<u>1,140,179,492</u>
ASSETS			
Non-current assets			
Fixed assets			
- Property Plant and Equipment	10	53,648,182	57,075,026
- Intangible fixed assets	11	1,771,206	2,218,853
Non-Current Investments	12	207,401,950	-
Long-term loans and advances	13	153,060,411	120,294,056
		<u>415,881,749</u>	<u>179,587,935</u>
Current assets			
Inventories	14	64,143,637	98,437,644
Trade receivables	15	416,948,240	189,387,775
Cash and Cash Equivalents	16	67,894,439	70,000
Short-term loans and advances	17	96,407,496	84,039,472
Other current assets	18	202,597	588,656,666
		<u>645,596,409</u>	<u>960,591,557</u>
		<u>1,061,478,158</u>	<u>1,140,179,492</u>
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements.
As per our report of even date attached.

As per our report of even date
For CN K & Associates, LLP
Chartered Accountants
FRN: 101961W/W-100036

Alok Shah

Alok Shah
Partner
M. No. 042005



Place: Vadodara
Date: 17th September, 2018

For and on behalf of Board of Directors of
Advanced Sys-Tek Private Limited

Mukesh R Kapadia

Mukesh R Kapadia
Director
DIN : 0758349

Place: Vadodara
Date: 17th September, 2018

Umed A Fifadra

Umed A Fifadra
Director
DIN : 00049036

Advanced Sys-Tek Private Limited (CIN No.U33112GJ1988PTC010464)

Statement of Profit and Loss for the year ended 31 March 2018

(All amounts are in Indian Rupees, unless otherwise stated)

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from Operations	19	946,021,127	1,236,908,191
Other income	20	6,666,529	36,436,898
Total revenue		952,687,656	1,273,345,089
Expenses			
Cost of materials consumed	21	88,873,119	65,948,156
Purchases of stock-in-trade	22	498,507,612	774,906,128
Changes in inventories of finished goods, stock-in-	23	34,328,434	11,266,833
Employee benefits	24	93,872,212	97,322,417
Finance costs	25	36,463,254	40,393,044
Depreciation and amortisation	10 & 11	6,242,299	6,597,763
Other expenses	26	396,984,827	407,569,693
Total expenses		1,155,271,756	1,404,004,032
Profit before tax		(202,584,100)	(130,658,943)
Income tax expenses:			
Current tax		-	-
Add: MAT credit utilisation/reversal		-	184,757
Deferred tax charge / (credit)	35	-	55,774,708
		-	55,959,466
Profit after tax		(202,584,100)	(186,618,408)
Earnings per equity share [Nominal value of Rs. 10 (Previous year: Rs. 10)]			
Basic and diluted (refer note 34)		(90.44)	(94.97)

Significant accounting policies

2

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

As per our report of even date

For C N K & Associates, LLP

Chartered Accountants

FRN: 101961W/W-100036

Alok Shah

Partner

M. No. 042005



For and on behalf of Board of Directors

Advanced Sys-Tek Private Limited

Mukesh R Kapadia

Director

DIN : 0758349

Umed A Fifadra

Director

DIN : 00049036

Place: Vadodara

Date: 17th September, 2018

Place:

Date:

Vadodara

17th September, 2018

Cash Flow Statement for the year ended 31 March 2018

(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flows from Operations		
Net Profit for the year	(202,584,099)	(130,658,943)
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	6,242,299	6,597,763
Provision of Warranty	5,630,267	-
Provision for Doubtful debts	-	51,212,715
Write back of trade payables	(2,211,562)	(570,736)
Reversal of Provision for Doubtful Advances	(971,343)	-
Provision for Doubtful Loans and Advances	-	3,118,828
Loss/(Profit) on Sale of Asset (Net)	(118,866)	-
Loss/(Profit) on Sale of Investments (Net)	(8,577)	-
Provision for Slow Moving Inventory	-	1,541,085
Interest Income	(229,189)	(21,298)
Provision for Pending Sales Tax Forms	45,478,913	-
Interest Expense	36,463,254	40,393,044
Loss on sale/Write off of Property Plant and Equipment	-	1,562,091
Bad Debts written off	15,264,941	5,971,657
Dividend Income	(2,409,373)	-
Unrealized Exchange Fluctuations	-	664,354
Other operating activities		
(Increase)/ Decrease in Trade Receivables	(242,825,406)	92,325,721
(Increase)/ Decrease in Inventories	34,294,007	23,314,466
(Increase)/ Decrease in Loans and Advances	(13,226,225)	(57,416,723)
(Increase)/ Decrease in Other Current Assets	588,656,664	81,289,993
(Increase)/ Decrease in Trade Payables	(187,896,751)	44,134,477
(Increase)/ Decrease in Provisions	(16,250,249)	(41,778,149)
(Increase)/ Decrease in Other Current Liabilities	(158,783,759)	(91,609,200)
Net cash from operating activities of continuing operations	(95,485,055)	30,071,144
Tax paid	(30,936,812)	(17,502,778)
Net cash from operations	(126,421,866)	12,568,366
Cash flows from Investing		
Purchase of Property Plant and equipment and intangible assets	(3,066,462)	(1,280,916)
Proceeds from Sale of Fixed Assets	817,522	-
Purchase of Investments	(207,393,373)	-
Decrease / (Increase) in fixed deposits with a maturing period of more than 90 days	(39,600,000)	-
Maturity of Bank Deposits	-	580,000
Dividends received	2,409,373	-
Interest received	26,592	40,689
Net cash from investing activities of continuing operations	(246,806,348)	(660,227)
Net cash from investing	(246,806,348)	(660,227)
Cash flows from Financing		
Proceeds from issue of shares including securities premium	750,000,000	-
Proceeds from Short Term borrowings	-	2,137,480
Repayments of Short Term borrowings	(318,445,809)	-
Repayment of Financial Lease Obligation	(1,545,015)	(1,520,171)
Interest paid	(28,556,523)	(35,280,436)
Net cash from financing	401,452,653	(34,663,127)
Net increase in cash and cash equivalents	28,224,439	(22,754,988)
Cash and cash equivalents at beginning of year	-	22,754,988
Cash and cash equivalents at end of year	28,224,439	-
Components of Cash and Cash Equivalents		
- Balance with Banks	-	-
- In Current Accounts	28,224,439	-
- In deposits with original maturity of less than 3 months	-	-
	28,224,439	-

The Cash Flow Statement has been prepared in accordance with the "Indirect Method" as set out in the Accounting Standard (AS) -3 on Cash Flow Statements as specified under section 133 of Companies Act, 2013 to the extent applicable

As per our report of even date
For C N K & Associates, LLP
Chartered Accountants
FRN: 101961W/W-100036

Atok Shah
Partner
M. No. 042005

Place: Vadodara
Date: 17th September, 2018



For and on behalf of Board of Directors of
Advanced Sys-Tek Private Limited

Mukesh R Kapadia Umed A Fifadra
Director Director
DIN : 0758349 DIN : 00049036

Place: Vadodara
Date: 17th September, 2018

1. Background

Advanced Sys-tek Private Limited (the 'Company') was a subsidiary of GE Mauritius Infrastructure Holding Ltd., a subsidiary of General Electric Company, USA. The Company offers complete automation and metering solution to customers using project management expertise and specialized knowledge of the Oil & Gas measurement industry. This enables customers to measure, automate and control the transportation and distribution of their products through pipelines, tank trucks, barges and rail wagons.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

(i) Basis of preparation of financial statements

The financial statements have been prepared and presented on a going concern basis under the historical cost convention on the accrual basis of accounting, in accordance with the Indian Generally Accepted Accounting Principles (GAAP) and comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act').

(ii) Current/ non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or



Advanced Sys-Tek Private Limited

Notes to the financial statements for the period ended 31st March 2018

- d. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and sale in cash or cash equivalents.

(iii) Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the year in which the actual results are known or materialised. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

(iv) Property, plant and equipment, intangible assets, depreciation and amortisation

Property, plant and equipment and depreciation

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an item of property, plant and equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.

Pursuant to the enactment of Companies Act, 2013, depreciation is provided on straight line method based on the useful lives as prescribed under Schedule II of the Act.



Advanced Sys-Tek Private Limited

Notes to the financial statements for the period ended 31st March 2018

Depreciation on following asset categories is provided on straight-line method at rates different than those prescribed under Schedule II of the Companies Act, 2013:

Plant and machinery	5 Years
Furniture and Fixtures	5 Years

Cost of leasehold land and vehicles is amortized over the period of lease.

Intangible assets and amortisation

Intangible assets that are acquired by the Company are initially measured at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised over the period the Company expects to derive economic benefits from their use. The Management believes that the period of amortization is representative of the period over which the Company expects to derive economic benefits from the use of the asset.

(v) Impairment

The carrying values of assets are reviewed at each reporting date to determine if there is any indication of any impairment. If any indication exists, the assets recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or a cashgenerating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates to determine the recoverable amount. An impairment loss is reversed only to the extent that asset's carrying amount does not exceed the carrying amount that would have been d of depreciation or amortization, if no impairment loss had been recognised.

Depreciation is charged on the value of the asset (net of impairment loss) over the remaining useful life on a systematic basis if the assets are not held for sale. Impairment loss recognised in earlier periods is reversed on disposal/ deletion of these assets.

(vi) Operating and finance leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of assets taken on operating lease are charged to Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.



Advanced Sys-Tek Private Limited

Notes to the financial statements for the period ended 31st March 2018

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance lease. Assets taken on finance lease are initially capitalized at fair value of the assets or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(vii) Inventories

Inventories which comprise raw materials, work-in-progress, finished goods and stock-in-trade, stores and spares are carried at the lower of cost and net realizable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

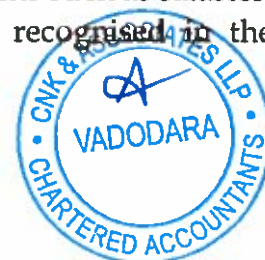
The comparison of cost and net realizable value is made on an item-by-item basis.

Provision for inventory obsolescence is assessed annually and is provided for as considered necessary.

(vii) Employee benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, allowances and the expected cost of other benefits are recognized in the



Advanced Sys-Tek Private Limited

Notes to the financial statements for the period ended 31st March 2018

Statement of Profit and Loss in the period in which the employee renders the related service.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pay specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Employee Provident Fund and Employee State Insurance to Government administered Provident Fund and Employee State Insurance schemes which are defined contribution plan. The Company's contribution is recognized as an expenses in the Statement of Profit and Loss during the period in which employee renders the related service.

Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the statement of profit and loss. Gains or losses on curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Provision is determined on the basis of actuarial valuation carried out as at the year end and is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

Annual contributions are made to the employee's gratuity fund based on an actuarial valuation carried out as at 31 March each year. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Other long term benefits

The employees can carry forward a portion of the unutilized accrued compensated absences



and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees rendered the related service and are also not expected to be utilized wholly within twelve months after the end of such periods, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of independent actuary's valuation using the projected unit credit method.

(viii) Revenue Recognition

Revenue from sales of good in the course of ordinary activities is recognized when property in the goods or all significant risk and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of consideration that will be diverted from the sale of the goods and regarding its collection.

Revenue from Service contracts is recognized on the basis of the acceptances received from the customers, as per the terms of the Individual contract.

Income from annual maintenance contracts is recognized on a straight-line basis over the term of the contract.

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

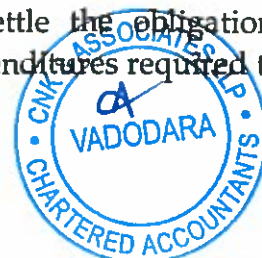
(ix) Foreign exchange transactions

The Company is exposed to currency fluctuations on foreign currency transactions. Foreign exchange transactions are recorded using the average exchange rates prevailing in the month of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the profit and loss account of the year.

All monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss.

(x) Provisions

A provision is recognized if, as a result of past event, the Company has a present obligation that can be estimated reliably, and it is probably that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditures required to



Advanced Sys-Tek Private Limited

Notes to the financial statements for the period ended 31st March 2018

settle the present obligations at the balance sheet date. The provisions are measured on an undiscounted basis.

Warranties

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repair, replacement, material cost, servicing and past experience in respect of warranty cost. It is expected that this expenditure will be incurred over the contractual warranty period.

Contingencies

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines, penalties, etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

Liquidated damages

Liquidated damages are provided based on contractual terms when the delivery/ commissioning dates of an individual project have exceeded or are likely to exceed the delivery/ commissioning dates as per the respective contracts. This expenditure is expected to be incurred over the respective contractual terms upto closure of the contract.

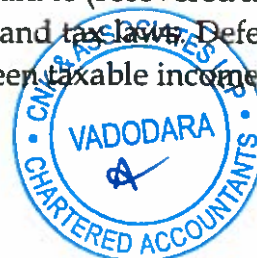
(xi) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, required and outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibilities of outflow of resources are remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which change occurs.

(xii) Taxation

Income-tax expense comprises current tax (i.e. amount of tax the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) Income-tax expense is recognized in profit and loss except that tax expense related to terms recognized directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized in respect of timing differences between taxable income and



Advanced Sys-Tek Private Limited

Notes to the financial statements for the period ended 31st March 2018

accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charges or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(xiv) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and others bank balances with bank.

(xv) Earnings per share

The Basic and dilutive earnings/(loss) per share is computed by dividing the net profit/(loss) attributable to equity shareholders for the year by weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed after adjusting the effects of all dilutive potential equity shares, if any.



3 Share capital

	As at 31 March 2018	As at 31 March 2017
<i>Authorised</i>		
Equity shares		
4,800,000 (previous year: 4,800,000) equity shares of Rs.10 each	48,000,000	48,000,000
<i>Issued, subscribed and paid up</i>		
Equity shares		
3,064,922 (previous year : 1,964,922) equity shares of Rs.10 each fully paid up	30,649,220	19,649,220
	30,649,220	19,649,220

a. The reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period

<i>Equity Shares</i>	As at 31 March 2018		As at 31 March 2017	
	Number	Amount	Number	Amount
At the commencement of the reporting period	1,964,922	19,649,220	1,964,922	19,649,220
Add: Issued during the year	1,100,000	11,000,000	-	-
Less: Buyback during the year	-	-	-	-
At the end of the reporting period	3,064,922	30,649,220	1,964,922	19,649,220

b. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll are in proportion to its share of the paid-up-equity capital of the Company. Voting rights cannot be exercised in respect of shares on which call or other sums presently payable have not been paid. Failure to pay amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, if any, in proportion to the number of equity shares held.

c. Equity shares held by ultimate holding company/ holding company and/ or their subsidiaries/ associates

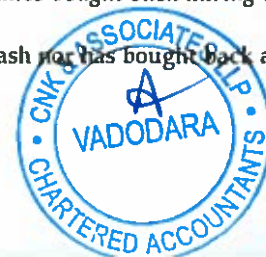
<i>Equity Shares of Rs 10 Each fully paid upheld by</i>	As at 31 March 2018		As at 31 March 2017	
	Number	Amount	Number	Amount
GE Mauritius Infrastructure Holding Limited.	-	-	1,316,497	13,164,970
	-	-	1,316,497	13,164,970

d. Details of shareholders holding more than 5% shares in the Company

<i>Equity Shares of Rs 10 Each fully paid upheld by</i>	As at 31 March 2018		As at 31 March 2017	
	Number	% of total shares	Number	% of total shares
GE Mauritius Infrastructure Holding Limited.	-	0.0%	1,316,497	67.0%
Mr. Umed A Fifadra	1,532,461	50.0%	324,212	16.5%
Mr. Mukesh Rajnikant Kapadia	1,532,461	50.0%	324,212	16.5%

e. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

The Company has not issued any bonus shares, nor issued shares for consideration other than cash nor has bought back any equity shares during the period of five years immediately preceding the reporting date.



4 Reserves and surplus

	As at 31 March 2018	As at 31 March 2017
General reserve		
At the commencement and at the end of the reporting period	105,602,284	105,602,284
Securities Premium Reserve		
At the commencement of the reporting period		-
Add: Securities Premium during the reporting period	739,000,000	-
At the end of the reporting period	739,000,000	-
Surplus (Profit and loss balance)		
At the commencement of the year	(216,668,349)	202,436,421
Add: Loss for the year	29,902,261	(186,618,408)
At the end of the year	(186,766,088)	15,818,013
Total reserves and surplus	657,836,196	121,420,297

5 Long term borrowings

	Non Current		Current*	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Term Loans				
- From Others (Secured)				
- Finance lease obligations* (refer note 31)	227,710	987,661	287,925	1,072,989
	227,710	987,661	287,925	1,072,989

The Company has taken certain vehicles on finance lease. The legal title of these cars vests with lessors. The lease term for such vehicles ranges from 3-4 years with equated monthly payments beginning from the month subsequent to the commencement of the lease. The rate of interest implicit in the above is around 13.25% to 13.45% p.a.

Finance lease obligation is secured against the respective vehicle taken on lease.

* Current maturity of finance lease obligation are disclosed under the head 'other current liabilities', refer note 9.

6 Provisions

	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits:				
Compensated absences	2,397,257	5,447,543	477,091	1,089,557
Gratuity (refer note 32)	11,824,014	10,544,831	2,542,994	-
	14,221,271	15,992,374	3,020,085	1,089,557
Other provisions:				
Provision for warranties (refer note 33)	13,335,058	6,018,461	13,609,562	26,701,923
Provision for pending sales tax form and Indirect tax litigations (refer note 33)		-	45,782,085	702,231
Provision for foreseeable losses (refer note 33)		-		3,660,709
Provision for liquidated damages (refer note 33)		-	28,834,387	29,778,262
	13,335,058	6,018,461	88,226,034	60,843,125
	27,556,329	22,010,835	91,246,119	61,932,682



7 Short term borrowings

	As at 31 March 2018	As at 31 March 2017
Loans repayable on demand		
Overdraft facilities from bank (unsecured)*	-	318,445,809
	-	318,445,809

*Overdraft facilities from bank carry interest rate ranging between 10.80% - 10.90% p.a computed on a daily basis on the actual amount utilized, and are repayable on demand.

8 Trade payables

	As at 31 March 2018	As at 31 March 2017
Total outstanding dues of micro enterprises and small enterprises (refer note 29)	26,795,741	54,087,638
Total outstanding dues of creditors other than micro enterprises and small enterprises	187,614,852	350,431,268
	214,410,593	404,518,906

9 Other current liabilities

	As at 31 March 2018	As at 31 March 2017
Current maturities of finance lease obligations (refer note 31)	287,925	1,072,989
Advance received from customers	7,160,617	158,933,005
Interest on dues to micro and small enterprises (refer note 29)	21,332,827	13,426,095
Other Payables		
- Employee benefits payable	7,477,495	4,213,281
-Statutory dues payable:		
- Provident fund and other funds	712,803	707,757
- Tax deducted at source	2,580,324	1,626,825
- Excise duty		2,226,115
- Service tax		1,498,296
- VAT		7,509,719
	39,551,991	191,214,082

12 Non-Current Investments

	As at 31 March 2018	As at 31 March 2017
Long term Investments at cost, unless otherwise specified		
Other Investments (unquoted) - Non trade		
Investment in Mutual Funds		
1,19,75,308.211 units (NAV Rs. 10.14 each) of HDFC Low Duration Fund-Retail-Regular Plan-Daily Dividend	121428834	-
19,99,613.256 units (NAV Rs. 10.08) of HDFC Floating Rate Debt Fund-Wholesale Option-Regular Plan-Dividend Reinvestment	20,157,901	-
6,55,386.255 units (NAV Rs. 100.42) of Aditya Birla Sun Life Low Duration Fund-Daily Dividend-Regular Plan	65,815,215	-
	207,401,950	-

Aggregate market value of unquoted investments

207,401,950



Advanced Sys-Tek Private Limited (CIN No.U33112GJ1988PTC010464)
Notes to the financial statements for the Year Ended 31 March 2018 (continued)
(All amounts are in India Rupees, unless otherwise stated)

10 Property, Plant and Equipment

Description	Gross Block			Depreciation			Net Block		
	As at 1 April 2017	Additions	Deletions	As at 31 Mar 2018	For the year	Deletions	As at 31 Mar 2018	As at 31 Mar 2018	As at 31 March 2017
Own assets									
Buildings	37,696,867	-	-	37,696,867	596,867	-	6,846,749	30,850,118	31,446,985
Plant and equipment	1,313,442	-	-	1,313,442	154,672	-	931,820	381,622	536,294
Furniture and fixtures	1,666,023	-	-	1,666,023	21,753	-	1,551,934	114,089	135,842
Electrical Installations	846,682	-	-	846,682	109,922	-	760,361	86,321	196,243
Office equipments	8,681,164	-	-	8,681,164	1,265,444	-	7,076,196	1,604,968	2,870,412
Computer Equipments	15,031,758	1,591,489	-	16,623,247	2,385,600	-	12,510,905	4,112,342	4,906,452
	65,235,936	1,591,489	-	66,827,425	4,534,258	-	29,677,964	37,149,461	40,092,229
Leased assets									
Land	18,405,963	-	-	18,405,963	276,435	-	3,725,183	14,680,780	14,957,215
Vehicles	5,318,977	1,474,973	2,437,172	4,356,778	983,959	1,738,516	2,538,838	1,817,940	2,025,582
	23,724,940	1,474,973	2,437,172	22,762,741	1,260,394	1,738,516	6,264,021	16,498,720	16,982,797
	88,960,876	3,066,462	2,437,172	89,590,166	5,794,652	1,738,516	35,941,985	53,648,182	57,075,026
Previous Year Figures	110,256,164	324,030	21,619,318	88,960,876	6,150,116	20,057,227	31,885,850	57,075,026	64,463,202

11 Intangible assets

Description	Gross Block			Amortisation			Net Block		
	As at 1 April 2017	Additions	Deletions	As at 31 Mar 2018	For the year	Deletions	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
Computer software	3,209,798	-	-	3,209,798	447,647	-	1,438,592	1,771,206	2,218,853
	3,209,798	-	-	3,209,798	447,647	-	1,438,592	1,771,206	2,218,853
Previous Year Figures	2,171,429	1,038,369	-	3,209,798	447,647	-	990,945	2,218,853	1,628,131



13 Long-term loans and advances

	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
To parties other than related parties		
Security deposits	2,741,867	1,281,157
Balances with government authorities	44,012,261	43,643,428
Advance income tax pending (net of provision for income tax)	105,017,221	74,080,409
MAT credit entitlement	1,289,062	1,289,062
	<u>153,060,411</u>	<u>120,294,056</u>

14 Inventories

	As at 31 March 2018	As at 31 March 2017
(Valued at the lower of cost and net realizable value)		
Raw materials	17,082,520	17,048,093
Work in progress	16,551,112	11,210,604
Finished goods	33,258,283	17,066,883
Stock-in-trade [includes goods-in-transit Rs.NIL (previous year: Rs. 25,286,342)]	-	55,860,342
	<u>66,891,915</u>	<u>101,185,922</u>
Less: Provision for slow moving inventory	2,748,278	2,748,278
	<u>64,143,637</u>	<u>98,437,644</u>

15 Trade receivables

	As at 31 March 2018	As at 31 March 2017
Unsecured		
Receivables outstanding for a period exceeding six months from the date		
(a) considered good	115,590,846	56,420,381
(b) considered doubtful	45,177,704	50,229,958
Less : Provision for doubtful debts	(45,177,704)	(50,229,958)
	<u>115,590,846</u>	<u>56,420,381</u>
Other receivables		
- considered good	301,357,394	132,967,394
- considered doubtful	5,045,610	4,957,729
Less : Provision for doubtful debts	(5,045,610)	(4,957,729)
	<u>301,357,394</u>	<u>132,967,394</u>
	<u>416,948,240</u>	<u>189,387,775</u>

16 Cash and Cash Equivalents

	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents:		
Balances with banks		
- On current accounts	28,224,439	-
Other bank balances:		
Fixed deposits (due to mature beyond 3 months but within 12 months from the date of deposit)	39,600,000	-
Bank deposits (due to mature after 12 months from the reporting date)*	70,000	70,000
	<u>67,894,439</u>	<u>70,000</u>



Details of bank balance/deposits:-

Bank balances available on demand/ deposit with original maturity of 3 months or less included under 'cash and cash equivalents'	-	-
Bank deposits due to mature with in 12 months of the reporting date included under 'Other bank balances'	-	-
Bank deposits due to mature after 12 months of the reporting date included under 'Other bank balances'	70,000	70,000
	<u>70,000</u>	<u>70,000</u>

17 Short-term loans and advances

	As at 31 March 2018	As at 31 March 2017
(Unsecured and consider good, unless otherwise stated)		
To parties other than related parties		
Advances to be received in cash or kind	-	11,884,708
Advance to employees	663,681	2,982,849
Advances for supply of goods and services		
- considered good	22,639,605	19,231,035
- considered doubtful	676,402	676,402
Less : Provision for doubtful advances	(676,402)	(676,402)
	<u>23,303,286</u>	<u>34,098,592</u>
Other loans and advances		
Prepaid expenses	709,015	2,613,880
Security deposits	3,375,667	3,383,358
Balances with government authorities		
- considered good	69,019,528	43,943,643
- considered doubtful	1,828,299	2,442,126
Less : Provision for doubtful advances	(1,828,299)	(2,442,126)
	<u>73,104,210</u>	<u>49,940,880</u>
	<u>96,407,496</u>	<u>84,039,472</u>

18 Other current assets

	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good, unless otherwise stated)		
To parties other than related parties		
Interest accrued but not due on fixed deposits	202,597	-
Contract inventory with customers	-	303,953,785
Unbilled revenue	-	284,702,881
	<u>202,597</u>	<u>588,656,666</u>



19 Revenue from operations

	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of products:		
- Finished goods	146,434,348	296,551,576
- Traded goods	661,451,993	773,545,396
Sale of products (gross)	807,886,341	1,070,096,972
Less: Excise duty*	(4,706,852)	(27,835,292)
Sale of products (net)	803,179,489	1,042,261,680
Sale of services:		
- Annual maintenance contracts	78,426,300	100,822,783
- Project services	42,157,537	65,744,514
- Other services	22,257,801	28,079,214
	142,841,638	194,646,511
	946,021,127	1,236,908,191

Notes:

*Current year excise duty includes excise duty recovered of 3 months as compared to 12 months in the previous year

Includes prior period income amounting to Rs NIL (previous year Rs 12,853,744)

20 Other income

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income on fixed deposits	229,189	21,298
Dividend from long term Investments	2,409,273	-
Profit on sale of Property, plant and Equipments	118,866	-
Provisions no longer required written back:		
- Provision for doubtful advances	971,343	-
- Provision for foreseeable losses	-	23,482,973
- Provision for liquidated damages	-	12,289,498
Liabilities no longer required written back	2,211,562	570,736
Profit on sale of Long-Term Investment	8,577	-
Miscellaneous income	717,719	72,392
	6,666,529	36,436,898



Cost of materials consumed

	For the year ended 31 March 2018	For the year ended 31 March 2017
Inventory of raw materials at the beginning of the year	17,048,093	17,048,093
Add: Purchases during the year	88,907,546	65,948,156
Inventory of raw materials at the end of the year	(17,082,520)	(17,048,093)
	88,873,119	65,948,156

Break-up of raw materials consumed

Integrated circuits	2,009,535	15,959,364
Junction box	15,000,302	17,539,534
Electronic devices	2,651,289	6,079,850
Printed circuit boards	607,090	9,502,973
Capacitors	105,797	1,462,170
Others	68,499,106	15,404,266
	88,873,119	65,948,156

Breakup of inventory - materials (net of provision)

Junction box	1,753,763	1,869,975
Integrated circuits	2,083,357	1,444,712
Electronic devices	17,088	2,001,709
Printed circuit boards	472,001	391,256
Capacitors	184,522	108,916
Others	12,571,788	8,483,247
	17,082,520	14,299,815

Purchases of stock in trade

	For the year ended 31 March 2018	For the year ended 31 March 2017
Cables	65,814,227	59,231,875
Tank farm system	19,998,562	59,417,622
Flow meters	81,442,949	140,958,628
PLC system	14,085,026	57,805,783
Others	317,166,848	457,492,220
	498,507,612	774,906,128



23 **Changes in inventories of finished goods, stock-in-trade and work-in-progress**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Inventories at the end of the year:		
Stock-in-trade	-	55,860,342
Work in progress	16,551,112	11,210,604
Finished goods	33,258,283	17,066,883
	<u>49,809,395</u>	<u>84,137,829</u>
Inventories at the beginning of the year:		
Stock-in-trade	55,860,342	68,385,455
Work in progress	11,210,604	11,744,693
Finished goods	17,066,883	15,274,513
	<u>84,137,829</u>	<u>95,404,661</u>
Decrease/(Increase) in inventories	<u><u>34,328,434</u></u>	<u><u>11,266,833</u></u>

24 **Employee benefits**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages, bonus and other expense	82,167,974	86,048,296
Contribution to provident and other funds (refer note 32)	8,228,627	6,302,679
Staff welfare expenses	3,475,611	4,971,443
	<u>93,872,212</u>	<u>97,322,417</u>

25 **Finance costs**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest on:		
- short term borrowings	28,081,343	34,868,053
- asset under finance lease (refer note 31)	290,516	358,705
- others*	8,091,395	5,166,285
	<u>36,463,254</u>	<u>40,393,044</u>

Note: *Interest on others includes Interest due to MSMED (refer note 29)



Other expenses

	For the year ended 31 March 2018	For the year ended 31 March 2017
Erection charges	144,347,004	172,486,503
Travel and conveyance	35,178,077	32,607,116
Rent (refer note 31)	3,008,809	6,981,041
Power and fuel	2,753,971	2,836,325
Repairs and maintenance	-	-
- buildings	258,911	-
- others	2,829,181	3,906,590
Legal and professional fees	35,989,720	33,217,781
Payment to auditors (refer note 28)	800,000	1,065,442
Royalty	1,995,833	4,583,580
Rates and taxes	961,399	3,261,528
Communication	7,918,024	10,829,842
Office Maintenance	1,198,555	4,800,092
Insurance	266,423	157,953
Bank charges	5,552,983	4,486,944
Sales tax and Other tax expense	84,230,656	45,397,015
Warranty (refer note 33)	5,630,767	10,934,563
Bad and doubtful debts written off	15,264,941	5,971,657
Provision for pending sales tax form and indirect tax litigations (refer note 33)	45,478,913	702,231
Provision for slow moving inventory	-	1,541,085
Training & seminars	541,112	1,657,469
Provision for doubtful trade receivables	-	51,212,715
Provision for doubtful loans and advances	-	3,118,828
Loss on sale of fixed assets/written off	-	1,562,091
Miscellaneous expenses	1,822,254	2,703,199
Foreign exchange fluctuation gain (net)	957,294	1,548,100
	396,984,827	407,569,693



27 Contingent liabilities

Claims against the Company not acknowledged as debts

Name of the statute	Nature of dues	Amount involved*	Forum where dispute is pending	Period to which the amount relates Financial year
The Income-tax Act, 1961	Income-tax	1013,12,409	Commissioner of Income Tax (Appeals)	2012-13
The Income-tax Act, 1961	Income-tax	868,30,836	Commissioner of Income Tax (Appeals)	2013-14
Kerala VAT Act, 2003	Sales tax	12,36,357	Kerala VAT Tribunal	2007-08
West Bengal VAT Act, 2003	Sales tax	4,78,879	Commissioner Sales tax	2009-10
Karnataka VAT Act, 2003	Sales tax	16,63,225	Addl/Joint Commissioner	2010-11
Uttarakhand VAT Act, 2005	Sales tax	5,00,000	Deputy Commissioner of Commercial	2011-12

- * Amount as per draft/final demand orders including interest and penalty, wherever indicated in the order.
 The Company is of the firm belief that the above demands are not tenable and are highly likely to be retained.

28 Payments to auditors (excluding taxes)

	For the year ended 31 March 2018	For the year ended 31 March 2017
As auditor:		
- For statutory audit	5,00,000	9,00,000
- For tax audit	1,00,000	1,00,000
- Certification Fees	2,00,000	
- Out of pocket expenses	-	65,442
	8,00,000	10,65,442

29 Dues to micro and small suppliers

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro enterprises and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2017 and 31 March 2016 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
The amounts remaining unpaid to micro and small supplier as at the end of the year:		
- Principal	267,95,741	540,87,638
- Interest	8,76,623	10,16,914
The amount of interest paid by the buyer as per the MSMED Act, 2006	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
- Principal	1500,11,698	1068,49,476
- Interest	57,52,978	40,95,693
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	213,32,827	134,26,095
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductibles expenditure under the MSMED Act, 2006.	66,29,601	51,12,607



30 Related parties

a) Related parties where control exists

Ultimate holding company General Electric Company
 Holding company GE Mauritius Infrastructure Holding Ltd

b) Other related parties with whom transactions have taken place during the year

Fellow subsidiaries
 GE India Industrial Private Limited
 GE Intelligent Platforms Private Limited
 GE Capital Service India
 Dresser Valve India Private Limited
 GE India Business Services Private Limited
 GE Sensing & Inspection Technologies GMBH
 Nuovo Pignone S.P.A.
 GE India Exports Private Limited
 GE International Operations (NIG) Limited
 GE Sensing EMEA
 GE Oil & Gas Inc
 Bently Nevada, LLC
 Dresser Alruhaid Valve & Instrument Co. Ltd
 Dresser International, Inc
 Druck Limited
 General Electric South Africa (PTY) Ltd
 General Electric International, Inc
 Bently do Brasil Ltda
 GE Global Sourcing India Private Limited
 General Electric Saudi Arabia Limited
 GE Water & Process Technologies Private Limited
 GE Oil and Gas Kenya

c) Key Management Personnel

Mr. Mukesh Rajnikant Kapadia
 Mr. Umed Amarchand Fifadra
 Mr. Gurumurthy Santhakrishnan

d) Transactions with related parties:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Transactions with ultimate holding company		
Communication	12,47,167	13,16,472
Reimbursement of expenses	-	-
Bank charges	2,60,226	10,13,986
Royalty	19,95,833	45,83,580
Training & seminars	16,375	-
Legal and professional fees	-	57,59,712
Transactions with fellow subsidiaries		
Purchase of stock in trade		
GE Intelligent Platforms Private Limited	246,97,154	537,69,738
GE India Industrial Private Limited	92,157	41,004
Dresser Valve India Private Limited	-	28,58,529
Cost of service rendered		
GE Intelligent Platforms Private Limited	30,01,200	37,61,075
Communication		
GE India Industrial Private Limited	16,13,983	38,99,723
GE Oil & Gas Inc.	-	6,07,987
General Electric International Inc.	-	13,132
Travel and conveyance (Reimbursement of expenses incurred on behalf of the Company)		
GE India Industrial Private Limited	271,93,695	291,26,291
Insurance		
GE India Industrial Private Limited	97,350	-



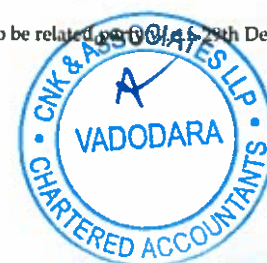
Notes to the financial statements for the year ended 31 March 2018

(All amounts are in India Rupees, unless otherwise stated)

Bank charges (Reimbursement of expenses incurred on behalf of the Company)		
General Electric Company	-	10,13,986
Ge Oil & Gas Inc.	-	2,012
General Electric International Inc.	-	3,742
Ge International Operations (Nig) Limited	-	1,674
Bently Do Brasil Ltda.	-	997
Training & Seminars		
GE India Industrial Private Limited	3,01,746	12,49,032
Nuovo Pignone S.P.A	3,79,437	3,79,437
Staff welfare		
GE India Industrial Private Limited	-	3,860
Office maintenance		
GE India Industrial Private Limited	-	57,838
General Electric International, Inc	-	37,426
General Electric Saudi Arabia Limited	-	2,012
Legal and professional fees		
GE India Industrial Private Limited	78,47,197	141,70,190
GE India Business Services Private Limited	15,56,888	64,33,860
General Electric International, Inc	-	1,10,980
Sale of products		
GE India Industrial Private Limited	-	6,25,500
GE Sensing EMEA	-	64,282
GE Oil & Gas Inc.	122,38,340	708,92,385
GE East Africa Services Limited	-	2,65,982
General Electric International, Inc	-	687,20,217
GE International Operations Nigeria Limited	-	84,760
Sale of services		
GE India Industrial Private Limited	-	6,77,926
GE International Operations Nigeria Limited	-	19,22,100
GE Sensing EMEA	6,96,600	4,08,266

e) Balances with related parties	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance with ultimate holding company		
Trade payables	-	208,11,148
Balances with fellow subsidiaries		
Trade payables		
GE Intelligent Platforms Private Limited	284,77,862	460,85,339
GE India Industrial Private Limited	442,01,006	485,63,176
General Electric International, Inc	93,084	49,926
GE India Business Services Private Limited	116,76,235	111,77,614
Dr Intl INC - UAE Jebel ALI R	75,882	-
GE Oil & Gas India Private Limited	216,90,472	-
Druck Limited	62,478	59,204
Bently Nevada, LLC	17,19,241	16,97,734
General Electric Saudi Arabia Limited	1,962	2,012
Dresser Valve India Private Limited	-	7,10,583
Trade receivables		
GE International Operation Nigeria Limited	-	19,37,170
Dresser Alruhaid Valve & Instrument Co. Ltd	146,92,211	215,94,657
GE India Industrial Private Limited	-	2,57,277
Bently do Brasil Ltda	151,71,717	86,90,918
GE Global Sourcing India Private Limited	-	1,99,368
Ge Water & Process Technologies Private Limited	-	2,44,916
General Electric South Africa (PTY) Ltd	8,06,186	-

Note: All the above related parties except Mr. Mukesh Rajnikant Kapadia and Mr. Umed Amarchand Fifadra ceased to be related parties on 29th December, 2017. Transactions reported with related parties are for the period from 1st April, 2017 to 29th December, 2017



31 Leases

i. Operating leases

The Company has obtained certain premises, vehicle and laptops under cancellable lease agreements. The lease expenses charged to the statement of profit and loss on account of cancellable lease agreements amounted to Rs. 2,925,642 (previous year Rs. 6,981,041).

ii. Finance leases

The Company had taken certain vehicles on finance leases. The finance lease obligations are repaid by monthly equated installment beginning from the month subsequent to taking the lease. The legal title to assets acquired under the finance leases vests with the lessor. The total minimum lease payments and maturity profile of finance leases as at year end, element of interest included in such payments, and present value of minimum lease payments are as follows:

Period	Total minimum lease payment outstanding as on 31 March 2018	Interest	Present value of minimum lease payment as on 31 March 2018
Payable within one year	3,33,267	45,342	2,87,925
	(13,33,806)	(2,60,817)	(10,72,989)
Payable within 1-5 years	2,39,892	12,182	2,27,710
	(10,96,385)	(1,08,724)	(9,87,661)

Figures in parentheses (') indicate previous year figures

32 Employee Benefits

Disclosure in respect of employee benefits under Revised Accounting Standard (AS) - 15 "Employee Benefits" as notified under section 133 of the companies act, 2013 read with rule 7 of the companies (Accounts) Rules, 2014

Defined contribution plans:

An amount of Rs.8,228,627 (previous year Rs.6,302,679) pertaining to employer's contribution to Provident Fund and Other Funds is recognised as expense in the Statement of Profit and Loss.

Defined benefit plans:

Liability towards gratuity and leave encashment has been determined based on the method prescribed in AS 15 - 'Employee benefits.'

Under the Company's gratuity scheme, every employee who has completed 5 years or more of service, is eligible for gratuity on separation, worked out at 15 days of last drawn salary for each completed year of service. The obligation under the scheme is 100% funded by contribution being made to the Insurance Company.

The following table sets out the status of the gratuity plan as required under AS 15:

(i) Movement in present value of defined benefit obligations

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Present value of obligation at the beginning of the year	146,49,520	140,85,459
Interest cost	10,84,064	12,36,834
Current service cost	13,40,008	14,53,036
Benefits paid	(3,29,597)	(19,49,540)
Actuarial (gain) / loss	15,72,721	(1,76,269)
Present value of obligation at the end of the year	183,16,716	146,49,520

(ii) Movement in fair value of plan assets

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Fair value of plan assets at the beginning of the year	41,04,689	56,26,358
Expected return on plan assets	3,03,747	5,84,966
Benefits paid	(3,29,597)	(19,49,540)
Actuarial gain/ (loss)	(1,74,165)	(1,59,259)
Contributions by employer	45,034	2,164
Fair value of plan assets at the end of the year	39,49,708	41,04,689

(iii) Amount recognised in the balance sheet

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Present value of obligation at the end of the year	(183,16,716)	146,49,520
Fair value of plan assets at the end of the year	39,49,708	(41,04,689)
Net liability recognized in balance sheet	(143,67,008)	105,44,831



(iv) Expense recognized in the statement of profit and loss

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost	13,40,008	14,53,036
Interest cost	10,84,064	12,36,834
Expected return on plan assets	(3,03,747)	(5,84,966)
Net actuarial loss/(gain) recognized in the year	17,46,886	(17,010)
Total included in 'Employee benefits'	38,67,211	20,87,894

(v) Major category of plan assets (as a percentage of total assets):

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Insurer managed funds	100%	100%

(vi) Principal actuarial assumptions at the balance sheet date for gratuity are as follows:

i) Economic assumptions:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Discount rate	7.50%	7.40%
Expected rate of return on plan assets (p.a.)	7.50%	7.50%
Salary escalation rate (p.a.)	9%	10% for first year & 8% thereafter

ii) Demographic assumptions:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Retirement age	60 years	60 years
Withdrawal rates:		
~ Professional Band and Lead Professional Band	13.30%	13.30%
~ Senior Professional Band & Above	0.00%	0.00%
~ Others	14.70%	14.70%
Mortality table	IALM (2006-08) Ultimate table	IALM (2006-08) Ultimate table

Expected rate of return on plan assets:

The expected rate of return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Discount rate:

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate:

The estimates of future salary escalation rate considered in actuarial valuation takes into account the inflation, seniority, promotion and other relevant factors on a long-term basis.

(vii) Experience adjustments

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
Defined benefit obligation	183,16,716	146,49,520	140,85,459	125,46,350	105,40,897
Fair value of plan assets	39,49,708	41,04,689	56,26,358	63,70,112	56,89,888
Surplus/(deficit)	(143,67,008)	(105,44,831)	(84,59,101)	(61,76,238)	(48,51,009)
Experience adjustment arising on plan liabilities	15,03,988	(14,89,476)	3,08,640	(8,62,051)	(4,89,891)
Experience adjustment arising on plan assets	(1,74,165)	(1,59,259)	(4,80,371)	(55,730)	(2,51,279)

The Company's best estimate of contribution during the next year is Rs 2,542,994 (previous year Rs 5,000,000)



33 Provisions:

Disclosure of movement in provisions in accordance with paragraph 66 and 67 of Accounting standard (AS) - 29 'Provisions, Contingent Liabilities and Contingent Assets':-

Provision for Liquidated damages

Liquidated damages are provided based on contractual terms when the delivery/ commissioning dates of an individual project have exceeded or are likely to exceeds the delivery/ commissioning dates as per the respective contracts. This expenditure is expected to be incurred within the next 12 months.

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening balance	297,78,262	509,53,516
Add: Provision made during the year	32,21,479	178,32,559
Less: Provision utilised/reversed during the year	(41,65,354)	(390,07,813)
Closing balance	288,34,387	297,78,262

Provision for warranties

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repair, replacement, material cost, servicing and past experience in respect of warranty cost. It is expected that this expenditure will be incurred over the contractual warranty period.

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening balance	327,20,384	351,69,968
Add: Provision made during the year	56,30,767	109,34,563
Less: Provision utilised/reversed during the year	(114,06,531)	(133,84,147)
Closing balance	269,44,620	327,20,384

Provision for foreseeable losses

Provisions for foreseeable losses on contracts are recognised when it is probable that the contract costs will exceed the total contract revenue. This expenditure is expected to be incurred within the next 12 months.

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening balance	36,60,709	271,43,682
Add: Provision made during the year	-	-
Less: Provision utilised/reversed during the year	(36,60,709)	(234,82,973)
Closing balance	0	36,60,709

Provision for pending sales tax forms and Indirect Tax Litigations

This represents provision for probable sales tax liabilities and other claims due to non-receipt of concessional tax forms for earlier years and litigations regarding indirect taxes. The provision is based on reliable estimate of the obligations derived from historical experience of the Company. The Company, however, could not estimate with reasonable certainty the period of utilisation of the same.

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening balance	7,02,231	-
Add: Provision made during the year	454,78,913	7,02,231
Less: Provision utilised/reversed during the year	(3,99,059)	-
Closing balance	457,82,085	7,02,231

34 Basic and diluted earning per share

The computation of earnings per share is set out below:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Net profit attributable to equity shareholders	(2025,84,100)	(1866,18,408)
Weighted average number of equity shares outstanding during the year	22,39,922	19,64,922
Basic and diluted earning per share	(90.44)	(94.97)
Nominal value of equity shares	10	10



35 Deferred tax liability/(asset), net

	As at 31 March 2018	As at 31 March 2017
Deferred tax liability:		
Related to property, Plant and Equipments	44,93,348	58,25,174
	<u>44,93,348</u>	<u>58,25,174</u>
Deferred tax asset:		
Expenditure under section 37 of Income-tax Act, 1961	-	75,22,650
Unabsorbed tax losses	393,24,549	408,64,866
Provision for foreseeable losses	-	11,31,159
Provision for doubtful debts	130,58,062	170,52,995
Provision for warranties	70,05,601	101,10,599
Provision for pending sales tax form and other disputes	119,03,342	2,16,989
Provision for retirement benefits	44,82,753	52,78,317
Provision for doubtful advances	6,51,222	9,63,625
Provision for liquidated damages	74,96,941	92,01,483
Provision for slow moving items	7,14,552	8,49,218
	<u>846,37,022</u>	<u>931,91,902</u>
Recognition of deferred tax asset to the extent of deferred tax liability* (c)	<u>44,93,348</u>	<u>58,25,174</u>

Deferred tax assets (net)(a-c)

* The company has unabsorbed tax losses under tax laws as at year-end. While the company has certain orders in hand, in the absence of virtual certainty of future taxable profits, deferred tax asset has been recognized only to the extent of deferred tax liability.

Based on Management's assessment of losses that will be allowed to be carried forward under the Income tax Act, 1961.

36 Segment reporting

Information regarding Primary Segments

According to Accounting Standard (AS) - 17 'Segment Reporting', the primary business segment of the Company is manufacturing and trading of terminal automation systems and engineering, erection & commissioning of such systems. The products fall within a single segment and are subject to similar risks and returns. As the Company operates in a single primary segment, disclosure requirements under the said accounting standard are not applicable.

Information regarding Secondary Segments

The Company operates mainly in two geographical areas, domestic and export. Management has reviewed these geographical areas vis-à-vis the risks and returns that encompass them. While arriving at these, the Management has reviewed the similarity of the economic and political conditions, relationships between operations in these geographical areas, proximity of operations, and special risks, if any, associated with operations in these areas.

For the year ended 31 March 2018

Particulars	Within India	Outside India	Total
Segment revenue	9056,46,265	403,74,862	9460,21,127
Segment assets	10271,55,115	343,23,043	10614,78,158
Capital expenditure	30,66,462	-	-

For the year ended 31 March 2017

Particulars	Within India	Outside India	Total
Segment revenue	10646,50,845	1722,57,347	12369,08,191
Segment assets	11058,56,447	343,23,043	11401,79,490
Capital expenditure	13,62,399	-	-

Segment accounting policies

The accounting principles used in the preparation of the financial statements and applied to record revenue and expenditure in individual segments are as set out in Note 2 of the financial statements. The description of segment assets and liabilities and the accounting policies in relation to segment accounting are as follows:

Segment revenue

Segment revenue has been allocated to both the segments on the basis of specific identification

Segment assets

Segment assets include all assets used by the segment.



37 Value of imports on CIF basis

	For the year ended 31 March 2018	For the year ended 31 March 2017
Raw materials	8,769,704	12,913,727
Spare parts and components	1,568,064	2,409,397
	<u>10,337,768</u>	<u>15,323,124</u>

38 Value of imported and indigenous raw materials consumed

	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Amount	% of total consumption	Amount	% of total consumption
Imported	1,765,550	1.99%	21,412,963	32.47%
Indigenous	87,107,569	98.01%	44,535,193	67.53%
	<u>88,873,119</u>	<u>100.00%</u>	<u>65,948,156</u>	<u>100.00%</u>

39 Expenditure in foreign currency

	For the year ended 31 March 2018	For the year ended 31 March 2017
Purchase of stock in trade	-	60,970,257
Royalty	1,995,833	4,583,580
Bank charges	-	1,022,410
Travel and conveyance	-	1,391,215
Communication	-	1,937,590
Office maintenance	-	39,438
Legal and professional fees	-	5,918,974
Training & Seminars	-	379,437
	<u>1,995,833</u>	<u>76,242,902</u>

40 Earnings in foreign currency

	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of products (F.O.B value)	28,250,229	163,742,938
Sale of services	12,124,633	8,514,409
Reimbursement of expenses	-	-
	<u>40,374,862</u>	<u>172,257,347</u>

42 During the year, there has been change in the management structure of the company. The management has plan a structure whereby they shall be able to control costs and overheads of the company. The company has reasonable amount of contracts on hand and is also in the process of bidding for various new contracts and is hopeful that the company shall be able to get these new contracts and also shall be able to execute the same in profitable manner. The promoters of the company has presented that they will do an infusion of appropriate additional funds into the Company as and when required to meet its on-going liabilities. Financial statements during the year, therefore, continue to be presented on a going concern basis.

43 During the year, the company had on preferential allotment basis issued issued 10,00,000 equity shares of ₹ 10 each, at an issue price of ₹ 10 per share. The company has received ₹ 1,00,00,000 towards equity share capital. In addition to above company has also issued additional 1,00,000 equity shares of ₹ 10 each, at an issue price of ₹ 7,400 per share. The company has received ₹ 10,00,000 towards equity share capital and ₹ 73,90,00,000 towards share premium. The main object of the both the issue of equity shares was to retire the existing debt of the company and to provide for general corporate purposes as there is a need to infuse in additional capital from the shareholders of the company.



Advanced Sys-Tek Private Limited (CIN No. U33112GJ1998PTC010464)
Notes to the financial statements for the year ended 31 March 2018
(All amounts are in India Rupees, unless otherwise stated)

44 Previous Year's Figures

Previous year's figures have been regrouped wherever necessary to correspond with the current year's disclosure.

Signatures to Notes '1' to '44'

As per our report of even date
For C N K & Associates, LLP
Chartered Accountants
FRN: 101961W/W-100036

Alok Shah

Alok Shah
Partner
M. No. 042005

Place: Vadodara
Date: 17th September, 2018



For and on behalf of Board of Directors of
Advanced Sys-Tek Private Limited

Mukesh R Kapadia

Mukesh R Kapadia
Director
DIN : 0758349

Place: Vadodara
Date: 17th September, 2018

Umed A Fifadra

Umed A Fifadra
Director
DIN : 00049036

Advanced Sys-Tek Private Limited

Statutory Audit for the year ended

31 March 2017

B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: + 91 124 719 1000
Fax: + 91 124 235 8613

Independent Auditor's Report

To the Members of **Advanced Sys-Tek Private Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of **Advanced Sys-Tek Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ("financial statements").

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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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.

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

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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 judgment, 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 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 Company as at 31 March 2017, its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act,
- e) On the basis of the written representations received from the directors as on 31 March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

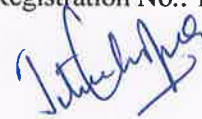
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B S R & Co. LLP

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements - refer note 29 of the financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - refer note 35 of the financial statements;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. the Company did not have any holdings or dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 – Refer note 44 of the financial statements.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022



Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: *19 September 2017*



Annexure A referred to in our Independent Auditor's Report to the members of Advanced Sys-Tek Private Limited on the financial statements for the year ended 31 March 2017

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, all fixed assets were physically verified during the year. As informed to us, no material discrepancies were observed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties are held in the name of Company.
- (ii) The inventory, except goods-in-transit and stocks lying at customer locations (accounted as contract inventory with customers), has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. As informed to us, no material discrepancies were noticed on verification between physical stocks and book records. Considering the specialized nature of the inventory, we are of the opinion that physical verification of stocks lying at customer locations is not possible. Also, no written third party confirmations were received for stocks lying at customer locations.
- (iii) According to the information and explanations given to us, we are of the opinion that the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not granted any loan or made any investment or provided any guarantee or security as specified under section 185 and 186 of the Act. Accordingly, the paragraph 3 (iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provision of section 73 to section 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. Accordingly, the paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act, for any of the products sold or services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Duty of Excise, Income tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there have been serious delays in certain cases related to deposit of sales tax and slight delay in one case related to deposit of professional tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Duty of Excise, Income tax, Sales tax, Service tax, Duty of Customs, Value Added tax, Cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, except as stated below, the Company did not have any dues on account of Income tax, Duty of Excise, Sales tax, Service tax, Duty of Customs and Value Added tax which have not been deposited with the appropriate authorities on account of any dispute:

S.No	Name of the statute	Nature of the dues	Amount Involved (Rs.) #	Amount paid under protest (Rs.)	Financial year	Forum where dispute is pending
1	The Income-tax Act, 1961	Income-tax	101,312,409	11,773,367	2012-13	Commissioner of Income Tax (Appeals)
2	The Income-tax Act, 1961	Income-tax	86,830,836	10,680,026	2013-14	Commissioner of Income Tax (Appeals)
3	The Custom Act, 1962	Customs duty	14,716,873	3,500,000	2001-02	Customs, Excise and Service Tax Appellate Tribunal
4	The Custom Act, 1962	Customs duty	23,262	-	2006-07	Customs, Excise and Service Tax Appellate Tribunal
5	The Finance Act, 1994	Service tax	7,788,327	7,788,327	2009-13	Commissioner of Service tax
6	Gujarat VAT Act, 2003	Sales tax	19,393,571	2,000,000	2009-10	Deputy Commissioner of Commercial Tax
7	Gujarat VAT Act, 2003	Sales tax	14,475	-	2009-10	Deputy Commissioner of Commercial Tax
8	Jharkhand VAT Act, 2006	Sales tax	1,151,934	-	2012-13	Assessing officer
9	Gujarat VAT Act, 2003	Sales tax	677,915	677,915	2006-07	Joint Commissioner of Commercial Tax (Appeals)
10	Gujarat VAT Act, 2003	Sales tax	489,113	-	2011-12	Joint Commissioner of Commercial Tax (Appeals)

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S.No	Name of the statute	Nature of the dues	Amount Involved (Rs.) #	Amount paid under protest (Rs.)	Financial year	Forum where dispute is pending
11	Maharashtra VAT Act, 2002	Sales tax	1,121,110	250,000	2003-04	Sales tax Appellate Tribunal
12	Kerala VAT Act, 2003	Sales tax	1,236,357	371,000	2007-08	Kerala VAT Tribunal
13	Uttar Pradesh VAT Act, 2008	Sales tax	1,609,334	804,667	2010-11	Commissioner of Commercial Tax
14	Uttar Pradesh VAT Act, 2008	Sales tax	1,220,612	11,071,344	2011-12	Additional Commissioner of Commercial Tax (Appeals)
15	Jharkhand VAT Act, 2006	Sales tax	1,094,677	-	2012-13	Joint commissioner of Commercial Tax (Appeals)
16	Uttar Pradesh VAT Act, 2008	Sales tax	461,682	230,841	2012-13	Additional/Joint Commissioner of Commercial Tax
17	Uttar Pradesh VAT Act, 2008	Sales tax	5,526,820	2,763,410	2013-14	Additional/Joint Commissioner of Commercial Tax
18	Uttar Pradesh VAT Act, 2008	Sales tax	2,076,802	1,812,916	2009-10	Additional/Joint Commissioner of Commercial Tax
19	Uttar Pradesh VAT Act, 2008	Sales tax	67,509	-	2008-09	Additional Commissioner (Appeals)
20	West Bengal VAT Act, 2003	Sales tax	478,879	-	2009-10	Commissioner of Sales tax
21	Karnataka VAT Act, 2003	Sales tax	1,663,225	-	2010-11	Additional/Joint Commissioner of Commercial Tax
22	Uttarakhand VAT Act, 2005	Sales tax	500,000	-	2011-12	Deputy Commissioner of Commercial Tax

Amount as per demand order including interest and penalty, wherever indicated in the order.

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks during the year. The Company did not have any outstanding dues to debenture holders and loans or borrowing from the government during the year.
- (ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

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B S R & Co. LLP

- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) Being a private company, provisions of section 197 of the Act are not applicable to the Company. Accordingly, paragraph 3 (xi) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with section 188 of the Act, where applicable and the details have been disclosed in the financial statements as required by applicable accounting standards. Further, provisions of section 177 of the Act are not applicable to the Company.
- (xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is 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. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022



Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 19 September 2017



Annexure B to the Independent Auditor's Report of even date on the financial statements of Advanced Sys-tek Private Limited for the year ended 31 March 2017

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

We have audited the internal financial controls over financial reporting of **Advanced Sys-tek Private Limited** ("the Company") as of 31 March 2017 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 19 September 2017

Advanced Sys-Tek Private Limited
Balance sheet as at 31 March 2017
(All amounts are in Indian Rupees, unless otherwise stated)

	Note	As at 31 March 2017	As at 31 March 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	19,649,220	19,649,220
Reserve and surplus	4	121,420,295	308,038,705
		141,069,515	327,687,925
Non-current liabilities			
Long-term borrowings	5	987,661	2,270,749
Long-term provisions	6	22,010,835	21,643,401
		22,998,496	23,914,150
Current liabilities			
Short-term borrowings	7	318,445,809	316,308,329
Trade payables	8		
-total outstanding dues of micro enterprises and small enterprises		54,087,638	13,213,879
-total outstanding dues of creditors other than micro enterprises and small enterprises		350,431,268	347,745,926
Other current liabilities	9	191,214,082	277,947,756
Short-term provisions	6	61,932,682	104,078,264
		976,111,479	1,059,294,154
		1,140,179,490	1,410,896,229
ASSETS			
Non-current assets			
Fixed assets			
- Property, plant and equipment	10	57,075,026	64,463,202
- Intangible assets	11	2,218,853	1,628,131
Long-term loans and advances	12	120,294,056	94,912,005
Deferred tax assets (net)	13	-	55,774,708
Other non-current assets	14	70,000	650,000
		179,657,935	217,428,046
Current assets			
Inventories	15	98,437,644	123,293,195
Trade receivables	16	189,387,775	339,268,438
Cash and bank balances	17	-	22,754,988
Short-term loans and advances	18	84,039,473	37,887,091
Other current assets	19	588,656,663	670,264,471
		960,521,555	1,193,468,183
		1,140,179,490	1,410,896,229

Significant accounting policies 2

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022



Jiten Chopra
Partner
Membership number: 092894

Place: Gurugram
Date: 19 September 2017

For and on behalf of Board of Directors of
Advanced Sys-Tek Private Limited



Umed A Fafdra
Director
DIN : 00049036

Place: Vadodara.
Date: 19 September 2017



Gurumurthy Santhankrishnan
Director
DIN:07771398

Place: Vadodara
Date: 19-Sep-2017



Advanced Sys-Tek Private Limited

Statement of Profit and Loss for the year ended 31 March 2017

(All amounts are in Indian Rupees, unless otherwise stated)

	Note	For the year ended 31 March 2017	For the year ended 31 March 2016
Revenue from operations	20		
Sale of products (gross)		1,070,096,972	1,582,029,686
Less: Excise duty		(27,835,292)	(20,122,658)
Sale of products (net)		1,042,261,680	1,561,907,028
Sale of services		194,646,511	237,590,025
Total		1,236,908,191	1,799,497,053
Other income	21	36,436,897	49,468,067
Total revenue		1,273,345,088	1,848,965,120
Expenses			
Cost of materials consumed	22	65,948,156	98,239,985
Purchases of stock-in-trade	23	774,906,128	1,035,269,475
Cost of services rendered		172,486,503	227,926,191
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	11,266,832	54,482,836
Employee benefits	25	97,322,418	99,276,407
Finance costs	26	40,393,043	30,535,605
Depreciation and amortisation	27	6,597,763	6,969,798
Other expenses	28	235,083,188	218,907,855
Total expenses		1,404,004,031	1,771,608,152
Profit before tax		(130,658,943)	77,356,969
Income tax expenses:			
Current tax		-	11,706,240
Add: MAT credit utilisation/reversal		184,757	12,873,404
Less: MAT credit entitlement		-	(158,180)
Deferred tax charge / (credit)	13	55,774,708	1,953,866
		55,959,465	26,375,330
Profit after tax		(186,618,408)	50,981,639
Earnings per equity share [Nominal value of Rs. 10 (Previous year: Rs. 10)]			
Basic and diluted	36	(94.97)	25.95

Significant accounting policies

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The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **BSR & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022



Jiten Chopra

Partner

Membership number: 092894

Place: Gurugram

Date: 19 September 2017

For and on behalf of Board of Directors of

Advanced Sys-Tek Private Limited



Umed A Fifadra

Director

DIN : 00049036

Place: Vadodara
Date: 19 September 2017



**Gurumurthy
Santhankrishnan**

Director

DIN:07771398

Place: Vadodara

Date: 19-Sep-2017



Advanced Sys-Tek Private Limited
Cash flow statement for the year ended 31 March 2017
(All amounts are in Indian Rupees, unless otherwise stated)

	For the year ended 31 March 2017	For the year ended 31 March 2016
A. Cash flow from operating activities		
Profit before tax	(130,658,943)	77,356,968
Adjustments for:		
Depreciation and amortisation	6,597,763	6,969,798
Provision for slow moving inventory	1,541,085	-
Loss on sale/write off of property, plant and equipment	1,562,091	31,665
Interest income	(21,298)	(2,410)
Provision for doubtful advances no longer required written back	-	(676,702)
Provision for doubtful debt no longer required written back	-	(42,874,162)
Liabilities no longer required written back	(570,736)	(19,006)
Unrealised foreign exchange loss/(gain)	664,354	(737,274)
Bad debts written off	5,971,657	-
Provision for doubtful trade receivables	51,212,715	29,356,483
Provision for doubtful loans and advances	3,118,828	736,895
Interest expense	40,393,043	29,651,497
Operating cash flows before working capital changes	(20,189,441)	99,793,751
Changes in working capital		
(Increase)/decrease in trade receivables	92,325,721	(24,010,699)
(Increase)/decrease in inventories	23,314,466	51,478,801
(Increase)/decrease in loans and advances	(57,416,723)	(56,307,040)
(Increase)/decrease in other current assets	81,289,993	(85,788,054)
Increase/(decrease) in trade payables	44,134,477	8,972,700
Increase/(decrease) in provisions	(41,778,149)	8,707,101
Increase/(decrease) in other current liabilities	(91,609,200)	(135,468,065)
	50,260,585	(232,415,256)
Cash generated from/(used in) operating activities before taxes	30,071,144	(132,621,505)
Direct taxes paid (net of refunds)	(17,502,778)	(5,468,547)
Net cash (used)/generated by operating activities	12,568,366	(138,090,052)
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(1,280,916)	(3,781,522)
Proceeds from sale of property, plant and equipment	-	889,692
Maturity of bank deposits	580,000	20,000
Interest received	40,689	29,117
Net cash used by investing activities	(660,227)	(2,842,713)
C. Cash flow from financing activities		
Cash proceeds from short term borrowing (net of repayment)	2,137,480	191,898,047
Repayment of finance lease obligation	(1,520,171)	(298,299)
Interest paid	(35,280,436)	(29,651,497)
Net cash provided/(used by) financing activities	(34,663,127)	161,948,251
Net decrease in cash and cash equivalents (A+B+C)	(22,754,988)	21,015,486
Cash and bank balances at the beginning of the year	22,754,988	100,742
Effect of exchange differences on cash & cash equivalents held in foreign currency	-	1,638,760
Cash and cash equivalents at the end of the year (refer note 17)	-	22,754,988
Notes to cash flow statement		
Component of cash and cash equivalent		
Balance with banks:		
- In current accounts	-	22,734,988
- in deposits with original maturity of less than 3 months	-	20,000
	-	22,754,988

The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS) - 3 on 'Cash Flow Statements' as specified under section 133 of Companies Act, 2013 to the extent applicable

As per our report of even date attached

For BSR & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

Jiten Chopra
Partner
Membership number: 092894

Place: Gurugram
Date: 19 September 2017

For and on behalf of Board of Directors of
Advanced Sys-Tek Private Limited

Umed A Fifadra

Director
DIN : 00049036

Place: Vadodara
Date: 19 September 2017

Gurumurthy
Santhankrishnan
Director
DIN : 07771398

Place: Vadodara
Date: 19 September 2017

for

Advanced Sys-Tek Private Limited

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

1. Background

Advanced Systek Private Limited (the 'Company') is a subsidiary of GE Mauritius Infrastructure Holding Ltd., a subsidiary of General Electric Company, USA. The Company offers complete automation and metering solution to customers using project management expertise and specialised knowledge of the Oil & Gas measurement industry. This enables customers to measure, automate and control the transportation and distribution of their products through pipelines, tank trucks, barges and rail wagons.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

(i) Basis of preparation of financial statements

The financial statements have been prepared and presented on a going concern basis under the historical cost convention on the accrual basis of accounting, in accordance with the Indian Generally Accepted Accounting Principles (GAAP) and comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act").

(ii) Current/ non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.



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(iii) Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the year in which the actual results are known or materialised. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

(iv) Property, plant and equipment, intangible assets, depreciation and amortisation

Property, plant and equipment and depreciation

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an item of property, plant and equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.

Pursuant to the enactment of Companies Act, 2013, depreciation is provided on straight line method based on the useful lives as prescribed under Schedule II of the Act.

Depreciation on following asset categories is provided on straight-line method at rates different than those prescribed under Schedule II of the Companies Act, 2013:-

Plant and machinery	5 Years
Furniture and Fixtures	5 Years

Cost of leasehold land and vehicles is amortized over the period of lease.

Intangible assets and amortisation

Intangible assets that are acquired by the Company are initially measured at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised over the period the Company expects to derive economic benefits from their use. The Management believes that the period of amortization is representative of the period over which the Company expects to derive economic benefits from the use of the asset.

(v) Impairment

The carrying values of assets are reviewed at each reporting date to determine if there is any indication of any impairment. If any indication exists, the assets recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognised.



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Advanced Sys-Tek Private Limited

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

Depreciation is charged on the value of the asset (net of impairment loss) over the remaining useful life on a systematic basis if the assets are not held for sale. Impairment loss recognised in earlier periods is reversed on disposal/deletion of these assets.

(vi) Operating and finance leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of assets taken on operating lease are charged to Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance lease. Assets taken on finance lease are initially capitalized at fair value of the assets or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(vii) Inventories

Inventories which comprise raw materials, work-in-progress, finished goods and stock-in-trade, stores and spares are carried at the lower of cost and net realizable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

The comparison of cost and net realizable value is made on an item-by-item basis.

Provision for inventory obsolescence is assessed annually and is provided for as considered necessary.

(viii) Employee benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, allowances and the expected cost of other benefits are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.



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Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pay specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Employee Provident Fund and Employee State Insurance to Government administered Provident Fund and Employee State Insurance schemes which are defined contribution plan. The Company's contribution is recognized as an expenses in the Statement of Profit and Loss during the period in which employee renders the related service.

Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the statement of profit and loss. Gains or losses on curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Provision is determined on the basis of actuarial valuation carried out as at the year end and is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

Annual contributions are made to the employee's gratuity fund based on an actuarial valuation carried out as at 31 March each year. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Other long term benefits

The employees can carry forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly with in twelve months after the end of the period in which the employees rendered the related service and are also not expected to be utilized wholly within twelve months after the end of such periods, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of independent actuary's valuation using the projected unit credit method.

(ix) Revenue Recognition

Revenue from sales of good in the course of ordinary activities is recognized when property in the goods or all significant risk and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of consideration that will be diverted from the sale of the goods and regarding its collection.

Service revenue is recognized as per the terms of the contract with the customer. The service value is exclusive of service tax.

Revenues and cost from fixed price work contracts for supply and installation of the automation solutions are recognized on transfer of all significant risk and rewards of the ownership of the goods to the end customer on the basis of customer acknowledgement. No revenue is recognised



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where customer acknowledgement has not been received for goods dispatched/services rendered. In such cases the cost is recorded as 'contract inventory with the customers'.

Income from annual maintenance contracts is recognized on a straight-line basis over the term of the contract.

The amount recognized as revenue is exclusive of sales tax, value added tax (VAT) and service tax, and it is net of returns, trade discounts and quantity discounts.

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

(x) Foreign exchange transactions

The Company is exposed to currency fluctuations on foreign currency transactions. Foreign exchange transactions are recorded using the average exchange rates prevailing in the month of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the profit and loss account of the year.

All monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss.

(xi) Provisions

A provision is recognized if, as a result of past event, the Company has a present obligation that can be estimated reliably, and it is probably that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditures required to settle the present obligations at the balance sheet date. The provisions are measured on an undiscounted basis.

Warranties

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repair, replacement, material cost, servicing and past experience in respect of warranty cost. It is expected that this expenditure will be incurred over the contractual warranty period.

Contingencies

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines, penalties, etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

Liquidated damages

Liquidated damages are provided based on contractual terms when the delivery/ commissioning dates of an individual project have exceeded or are likely to exceeds the delivery/ commissioning dates as per the respective contracts. This expenditure is expected to be incurred over the respective contractual terms upto closure of the contract.

(xii) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, required and outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibilities of outflow of resources are remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which change occurs.



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(xiii) Taxation

Income-tax expense comprises current tax (i.e. amount of tax the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) Income-tax expense is recognized in profit and loss except that tax expense related to terms recognized directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charges or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the Statement of Profit and loss. The credit available under the Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(xiv) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and others bank balances with bank.

(xv) Earnings per share

The Basic and dilutive earnings/(loss) per share is computed by dividing the net profit/(loss) attributable to equity shareholders for the year by weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed after adjusting the effects of all dilutive potential equity shares, if any.



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Advanced Sys-Tek Private Limited

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

(All amounts are in Indian Rupees, unless otherwise stated)

3 Share capital

	As at 31 March 2017	As at 31 March 2016
Authorised		
Equity shares		
4,800,000 (previous year: 4,800,000) equity shares of Rs.10 each	48,000,000	48,000,000
Issued, subscribed and paid up		
Equity shares		
1,964,922 (previous year : 1,964,922) equity shares of Rs.10 each fully paid up	19,649,220	19,649,220
	<u>19,649,220</u>	<u>19,649,220</u>

a. The reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2017		As at 31 March 2016	
	Number	Amount	Number	Amount
Equity Shares				
At the commencement and at the end of the year	1,964,922	19,649,220	1,964,922	19,649,220

b. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of equity shareholders on a poll are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which call or other sums presently payable have not been paid. Failure to pay amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, if any, in proportion to the number of equity shares held.

c. Equity shares held by ultimate holding company/ holding company and/ or their subsidiaries/ associates

Equity Shares of Rs 10 Each fully paid-up held by	As at 31 March 2017		As at 31 March 2016	
	Number	Amount	Number	Amount
GE Mauritius Infrastructure Holding Limited (holding company)	1,316,496	13,164,960	1,316,496	13,164,960
	<u>1,316,496</u>	<u>13,164,960</u>	<u>1,316,496</u>	<u>13,164,960</u>

d. Details of shareholders holding more than 5% shares in the Company

Equity Shares of Rs 10 Each fully paid-up held by	As at 31 March 2017		As at 31 March 2016	
	Number	% of total shares	Number	% of total shares
GE Mauritius Infrastructure Holding Limited (holding company)	1,316,496	67.0%	1,316,496	67.0%
Mr. Umed A Fifadra	324,212	16.5%	324,212	16.5%
Mr. Mukesh Rajnikant Kapadia	324,212	16.5%	324,212	16.5%

e. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

The Company has not issued any bonus shares, neither issued shares for consideration other than cash nor has bought back any equity shares during the period of five years immediately preceding the reporting date.

4 Reserves and surplus

	As at 31 March 2017	As at 31 March 2016
General reserve		
At the commencement and at the end of the year	105,602,284	105,602,284
Surplus (Profit and loss balance)		
At the commencement of the year	202,436,421	151,454,782
Add: (Loss)/profit for the year	(186,618,408)	50,981,639
At the end of the year	<u>15,818,013</u>	<u>202,436,421</u>
Total reserves and surplus	<u>121,420,297</u>	<u>308,038,705</u>



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Advanced Sys-Tek Private Limited

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

(All amounts are in Indian Rupees, unless otherwise stated)

5 Long term borrowings

	Non Current		Current*	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Finance lease obligations (refer note 33)	987,661	2,270,749	1,072,989	1,310,072
	987,661	2,270,749	1,072,989	1,310,072

The Company has taken certain vehicles on finance lease. The legal title of these cars vests with lessors. The lease term for such vehicles ranges from 3 to 4 years with equated monthly payments beginning from the month subsequent to the commencement of the lease. The rate of interest implicit in the above is 13.25% p.a (previous year 13.5% p.a). Finance lease obligation is secured against the respective vehicle taken on lease.

* Current maturity of finance lease obligation are disclosed under the head 'other current liabilities', refer note 9.

6 Provisions

	Non Current		Current	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Provision for employee benefits:				
Compensated absences	5,447,543	2,999,885	1,089,557	995,513
Gratuity (refer note 34)	10,544,831	8,459,101	-	-
	15,992,374	11,458,986	1,089,557	995,513
Other provisions:				
Provision for warranties (refer note 35)	6,018,461	10,184,415	26,701,923	24,985,553
Provision for pending sales tax form and other disputes (refer note 35)	-	-	702,231	-
Provision for foreseeable losses (refer note 35)	-	-	3,660,709	27,143,682
Provision for liquidated damages (refer note 35)	-	-	29,778,262	50,953,516
	6,018,461	10,184,415	60,843,125	103,082,751
	22,010,835	21,643,401	61,932,682	104,078,264

7 Short-term borrowings

	As at 31 March 2017	As at 31 March 2016
Loans repayable on demand		
Overdraft facilities from bank (unsecured) **	318,445,809	316,308,329
	318,445,809	316,308,329

**Overdraft facilities from bank carry interest rate ranging between 10.80% - 10.90% p.a (previous year 10.90% - 11.25% p.a.), computed on a daily basis on the actual amount utilized, and are repayable on demand.

8 Trade payables

	As at 31 March 2017	As at 31 March 2016
Total outstanding dues of micro enterprises and small enterprises (refer note 31)	54,087,638	13,213,879
Total outstanding dues of creditors other than micro enterprises and small enterprises	350,431,268	347,745,927
	404,518,906	360,959,806

9 Other current liabilities

	As at 31 March 2017	As at 31 March 2016
Current maturities of finance lease obligations (refer note 33)	1,072,989	1,310,072
Advance received from customers	158,933,005	253,326,634
Interest on dues to micro and small enterprises (refer note 31)	13,426,095	8,313,488
Employee benefits payable	4,213,281	3,807,386
Statutory dues payable:		
- Provident fund and other funds	707,757	751,549
- Tax deducted at source	1,626,825	2,525,116
- Excise duty	2,226,115	5,786,199
- Service tax	1,498,296	2,127,312
- Value added tax	7,509,719	-
	191,214,082	277,947,756



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Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2017
 (All amounts are in Indian Rupees, unless otherwise stated)

10 Property, plant and equipment

Description	Gross Block			Depreciation			Net Block	
	As at 1 April 2016	Additions	Deletions	As at 1 April 2016	For the year	Deletions	As at 31 March 2017	As at 31 March 2016
Own assets								
Buildings	37,696,867	-	-	5,643,857	606,026	-	6,249,882	31,446,985
Plant and equipment	1,541,160	-	227,718	821,842	172,499	217,193	777,148	536,294
Furniture and fixtures	11,239,803	-	9,573,780	10,830,877	23,976	9,324,672	1,530,181	135,842
Electrical Installations	9,938,349	-	9,091,667	9,697,580	44,526	9,091,667	650,439	196,243
Office equipments	9,994,705	139,410	1,452,951	4,982,372	1,489,694	661,313	5,810,752	2,870,412
Computers	14,847,138	184,620	15,031,758	7,832,837	2,292,470	-	10,125,306	4,906,452
	85,258,022	324,030	20,346,116	39,809,363	4,629,191	19,294,845	25,143,707	40,092,229
Leased assets								
Land	18,405,963	-	-	3,172,313	276,435	-	3,448,748	14,957,215
Vehicles	6,592,179	-	1,273,202	2,811,286	1,244,491	762,381	3,293,395	2,025,582
	24,998,142	-	1,273,202	5,983,598	1,520,926	762,381	6,742,143	16,982,797
	110,256,164	324,030	21,619,318	45,792,961	6,150,116	20,057,227	31,885,850	57,075,026
Description	Gross Block			Depreciation			Net Block	
	As at 1 April 2015	Additions	Deletions	As at 1 April 2015	For the year	Deletions	As at 31 March 2016	As at 31 March 2015
Own assets								
Buildings	37,696,867	-	-	5,037,831	606,026	-	5,643,857	32,053,010
Plant and equipment	925,557	615,603	-	672,726	149,116	-	821,842	719,318
Furniture and fixtures	11,211,131	28,672	-	10,802,123	28,754	-	10,830,877	252,831
Electrical Installations	9,938,349	-	-	9,621,956	75,623	-	9,697,580	408,926
Office equipments	9,077,439	917,266	-	3,690,231	1,292,142	-	4,982,372	240,769
Computers	14,847,138	-	-	5,344,389	2,488,448	-	7,832,837	5,012,333
	83,696,481	1,561,541	-	35,169,257	4,640,109	-	39,809,363	45,448,659
Leased assets								
Land	18,405,963	-	-	2,895,878	276,435	-	3,172,313	15,233,650
Vehicles	5,537,746	2,160,062	1,105,629	1,284,532	1,711,026	184,272	2,811,286	3,780,893
	23,943,709	2,160,062	1,105,629	4,180,409	1,987,461	184,272	5,983,599	19,014,543
	107,640,190	3,721,603	1,105,629	39,349,666	6,627,570	184,272	45,792,962	64,463,202



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Advanced Sys-Tek Private Limited

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

(All amounts are in Indian Rupees, unless otherwise stated)

12 Long-term loans and advances

	As at 31 March 2017	As at 31 March 2016
(Unsecured, considered good unless otherwise stated)		
To parties other than related parties		
Capital advances	-	81,484
Security deposits	1,281,157	1,401,100
	<u>1,281,157</u>	<u>1,482,584</u>
Other loans and advances		
Balances with government authorities		
- considered good	43,643,428	35,377,971
- considered doubtful	-	243,082
Less: Provision for doubtful deposits	-	(243,082)
	<u>43,643,428</u>	<u>35,377,971</u>
Advance income tax pending (net of provision for income tax)	74,080,409	56,577,631
MAT credit entitlement	1,289,062	1,473,819
	<u><u>120,294,056</u></u>	<u><u>94,912,005</u></u>

13 Deferred tax asset (net)

	As at 31 March 2017	As at 31 March 2016
Deferred tax liability:		
Excess of depreciation on fixed assets under income-tax law over depreciation/ amortization provided in accounts	5,825,174	7,158,996
Total deferred tax liability (a)	<u>5,825,174</u>	<u>7,158,996</u>
Deferred tax asset:		
Expenditure under section 37 of Income-tax Act, 1961	7,522,650	2,482,097
Unabsorbed losses #	40,864,866	-
Expenditure under section 40 (a) of Income-tax Act, 1961	-	4,664,112
Provision for foreseeable losses	1,131,159	9,393,886
Provision for doubtful trade receivables	17,052,995	11,799,663
Provision for warranties	10,110,599	12,171,623
Provision for pending sales tax form and other disputes	216,989	-
Provision for employee benefits	5,278,317	4,310,253
Provision for doubtful advances	963,625	478,078
Provision for liquidated damages	9,201,483	17,633,992
Provision for slow moving items	849,218	-
Total deferred tax asset (b)	<u>93,191,902</u>	<u>62,933,704</u>
Recognition of deferred tax asset to the extent of deferred tax liability* (c)	<u>5,825,174</u>	<u>62,933,704</u>
Deferred tax asset (net) (a-c)	<u>-</u>	<u>55,774,708</u>

* The Company has business losses under tax laws as at year-end. While the Company has certain orders in hand, in the absence of virtual certainty of future taxable profits, deferred tax asset has been recognized only to the extent of deferred tax liability.

Based on Management's assessment of losses that will be allowed to be carried forward under the Income tax Act, 1961.

14 Other non-current assets

	As at 31 March 2017	As at 31 March 2016
(Unsecured and considered good, unless otherwise stated)		
Bank deposits (due to mature after 12 months from the reporting date)*	70,000	650,000
	<u>70,000</u>	<u>650,000</u>

* Includes bank deposits held as margin money given to sales tax authorities.

15 Inventories

	As at 31 March 2017	As at 31 March 2016
(Valued at the lower of cost and net realizable value)		
Raw materials	17,048,093	29,095,727
Work-in-progress	11,210,604	11,744,693
Finished goods	17,066,883	15,274,513
Stock-in-trade [includes goods-in-transit Rs.25,286,342 (previous year: Rs. 6,575,957)]	55,860,342	68,385,455
	<u>101,185,922</u>	<u>124,500,388</u>
Less: Provision for slow moving inventory	2,748,278	1,207,193
	<u>98,437,644</u>	<u>123,293,195</u>



Advanced Sys-Tek Private Limited

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

(All amounts are in Indian Rupees, unless otherwise stated)

16 Trade receivables

	As at 31 March 2017	As at 31 March 2016
(Unsecured and considered good, unless otherwise stated)		
Receivables outstanding for a period exceeding six months from the date they are due for payment		
(a) considered good	56,420,381	62,183,612
(b) considered doubtful	50,229,958	19,576,316
Less : Provision for doubtful trade receivables	(50,229,958)	(19,576,316)
	<u>56,420,381</u>	<u>62,183,612</u>
Other receivables		
(a) considered good	132,967,394	277,084,826
(b) considered doubtful	4,957,729	14,518,874
Less : Provision for doubtful trade receivables	(4,957,729)	(14,518,874)
	<u>132,967,394</u>	<u>277,084,826</u>
	<u><u>189,387,775</u></u>	<u><u>339,268,438</u></u>

17 Cash and bank balances

	As at 31 March 2017	As at 31 March 2016
Cash and cash equivalents:		
Balances with banks		
- On current accounts	-	22,734,988
Other bank balances:		
Fixed deposits (due to mature within 12 months of the reporting date)	-	20,000
	<u>-</u>	<u>22,754,988</u>
Details of bank balance /deposits:-		
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	-	20,000
Bank deposits due to mature after 12 months of the reporting date included under 'Other bank balances'	70,000	650,000
	<u>70,000</u>	<u>670,000</u>

18 Short-term loans and advances

	As at 31 March 2017	As at 31 March 2016
(Unsecured and considered good, unless otherwise stated)		
To parties other than related parties		
Advances to be received in cash or kind	11,884,708	10,152,412
Advance to employees	2,982,849	-
Advances for supply of goods and services		
- considered good	19,231,035	10,518,321
- considered doubtful	676,402	1,138,327
Less : Provision for doubtful advances	(676,402)	(1,138,327)
	<u>19,231,035</u>	<u>10,518,321</u>
Other loans and advances		
Prepaid expenses	2,613,880	3,040,652
Security deposits	3,383,358	972,086
Balances with government authorities		
- considered good	43,943,643	13,203,620
- considered doubtful	2,442,126	-
Less : Provision for doubtful advances	(2,442,126)	-
	<u>49,940,881</u>	<u>17,216,358</u>
	<u><u>84,039,473</u></u>	<u><u>37,887,091</u></u>

19 Other current assets

	As at 31 March 2017	As at 31 March 2016
(Unsecured and considered good, unless otherwise stated)		
To parties other than related parties		
Interest accrued but not due on fixed deposits	-	19,391
Contract inventory with customers	303,953,785	414,514,705
Unbilled revenue	284,702,878	255,730,375
	<u>588,656,663</u>	<u>670,264,471</u>



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Advanced Sys-Tek Private Limited**Notes to the financial statements for the year ended 31 March 2017**

(All amounts are in Indian Rupees, unless otherwise stated)

20 Revenue from operations

	For the year ended 31 March 2017	For the year ended 31 March 2016
Sale of products:		
- Finished goods	296,551,576	243,182,202
- Traded goods	773,545,396	1,338,847,484
Sale of products (gross)	1,070,096,972	1,582,029,686
Less: Excise duty	(27,835,292)	(20,122,658)
Sale of products (net)	1,042,261,680	1,561,907,028
Sale of services:		
- Annual maintenance contracts*	100,822,783	81,183,500
- Project services	65,744,514	145,626,408
- Other services	28,079,214	10,780,117
	194,646,511	237,590,025
	1,236,908,191	1,799,497,053

* Includes prior period income amounting to Rs.12,853,744 (previous year Rs.Nil)

Break-up of revenue from sale of products**Finished goods (net of excise duty):**

Batch controllers	86,900,729	92,298,927
Grounding unit	17,183,116	19,458,203
Skid	143,945,931	35,649,836
Others	20,686,508	75,652,577
	268,716,284	223,059,544

Traded goods:

Radar gauge	66,473,789	188,013,611
PLC panel	76,109,087	73,843,500
Cables	90,450,231	156,284,798
Others	540,512,289	920,705,574
	773,545,396	1,338,847,484
	1,042,261,680	1,561,907,028

21 Other income

	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest income on fixed deposits	21,298	2,410
Foreign exchange fluctuation gain (net)	-	4,700,372
Provisions no longer required written back:		
- Provision for doubtful loan and advances	-	676,702
- Provision for foreseeable losses	23,482,973	-
- Provision for doubtful trade receivables	-	42,874,162
- Provision for liquidated damages	12,289,498	-
Liabilities no longer required written back	570,736	19,006
Miscellaneous income	72,392	1,195,415
	36,436,897	49,468,067



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Advanced Sys-Tek Private Limited

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

(All amounts are in Indian Rupees, unless otherwise stated)

22 Cost of materials consumed

	For the year ended 31 March 2017	For the year ended 31 March 2016
Inventory of raw materials at the beginning of the year	29,095,727	24,884,499
Add: Purchases during the year	53,900,522	102,451,213
Less: Inventory of raw materials at the end of the year	(17,048,093)	(29,095,727)
	65,948,156	98,239,985

Break-up of raw materials consumed

Integrated circuits	15,959,364	16,264,555
Junction box	17,539,534	15,683,737
Electronic devices	6,079,850	17,178,806
Printed circuit boards	9,502,973	9,022,731
Capacitors	1,462,170	1,533,249
Others	15,404,265	38,556,906
	65,948,156	98,239,985

Breakup of inventory - raw materials (net of provision)

Junction box	1,869,975	8,537,006
Integrated circuits	1,444,712	5,500,825
Electronic devices	2,001,709	5,222,703
Printed circuit boards	391,256	1,851,963
Capacitors	108,916	1,260,826
Others	8,483,247	5,515,211
	14,299,815	27,888,534

23 Purchases of stock-in-trade

	For the year ended 31 March 2017	For the year ended 31 March 2016
Cables	59,231,875	154,165,609
Tank farm system	59,417,622	88,009,661
Flow meters	140,958,628	117,639,242
PLC system	57,805,783	73,896,141
Others	457,492,220	601,558,822
	774,906,128	1,035,269,475

24 Changes in inventories of finished goods, stock-in-trade and work-in-progress

	For the year ended 31 March 2017	For the year ended 31 March 2016
Inventories at the end of the year:		
Stock-in-trade	55,860,342	68,385,455
Work-in-progress	11,210,604	11,744,693
Finished goods	17,066,883	15,274,513
	84,137,829	95,404,661
Inventories at the beginning of the year:		
Stock-in-trade	68,385,455	126,629,859
Work-in-progress	11,744,693	11,267,373
Finished goods	15,274,513	11,990,265
	95,404,661	149,887,497
Decrease in inventories (refer note 43)	11,266,832	54,482,836



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Advanced Sys-Tek Private Limited

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

(All amounts are in Indian Rupees, unless otherwise stated)

25 Employee benefits

	For the year ended 31 March 2017	For the year ended 31 March 2016
Salaries, wages and bonus	82,588,431	82,551,037
Contribution to provident and other funds (refer note 34)	4,214,785	6,725,147
Provision for gratuity (refer note 34)	2,087,894	2,284,856
Provision for compensated absences	3,459,865	2,282,863
Staff welfare expenses	4,971,443	5,432,504
	97,322,418	99,276,407

26 Finance costs

	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest on:		
- short term borrowings	34,868,053	19,292,030
- asset under finance lease (Refer note 33)	358,705	884,108
- others	5,166,285	10,359,467
	40,393,043	30,535,605

27 Depreciation and amortisation

	For the year ended 31 March 2017	For the year ended 31 March 2016
Depreciation on property, plant and equipment	6,150,116	6,627,570
Amortisation on intangible assets	447,647	342,228
	6,597,763	6,969,798

28 Other expenses

	For the year ended 31 March 2017	For the year ended 31 March 2016
Travel and conveyance	32,607,116	47,723,756
Rent (refer note 33)	6,981,041	2,171,582
Power and fuel	2,836,325	3,053,045
Repairs and maintenance		
- buildings	-	163,050
- others	3,906,590	2,595,798
Legal and professional fees	33,217,781	24,355,028
Payment to auditors (refer note 30)	1,065,442	800,000
Royalty	4,583,580	4,070,530
Rates and taxes	3,261,528	18,558,054
Communication	10,829,842	11,420,234
Office Maintenance	4,800,092	1,960,672
Insurance	157,953	616,125
Bank charges	4,486,944	4,267,825
Provision for Liquidated damages, net (refer note 35)	-	954,270
Liquidated damages written off	-	893,937
Works contract sales tax expense	45,397,015	35,727,559
Warranty (refer note 35)	10,934,563	23,549,135
Bad debts written off	5,971,657	-
Provision for pending sales tax form and other disputes (refer note 35)	702,231	-
Provision for slow moving inventory	1,541,085	-
Training & seminars	1,657,469	-
Provision for doubtful trade receivables	51,212,715	29,356,483
Provision for doubtful loans and advances	3,118,828	736,895
Provision for foreseeable losses (refer note 35)	-	2,736,227
Loss on sale/write off of property, plant and equipment	1,562,091	31,665
Miscellaneous expenses	2,703,200	3,165,985
Foreign exchange fluctuation loss (net)	1,548,100	-
	235,083,188	218,907,855



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29 Contingent liabilities

Claims against the Company not acknowledged as debts

Name of the statute	Nature of dues	Amount involved*	Forum where dispute is pending	Period to which the amount relates Financial year
The Income-tax Act, 1961	Income-tax	101,312,409	Commissioner of Income Tax (Appeals)	2012-13
The Income-tax Act, 1961	Income-tax	86,830,836	Commissioner of Income Tax (Appeals)	2013-14
The Custom Act, 1962	Customs duty	14,716,873	Customs, Excise and Service Tax Appellate Tribunal	2001-02
The Custom Act, 1962	Customs duty	23,262	Customs, Excise and Service Tax Appellate Tribunal	2006-07
The Finance Act, 1994	Service tax	7,788,327	Commissioner of Service tax	2009-13
Gujarat VAT Act, 2003	Sales tax	19,393,571	Deputy Commissioner of Commercial Tax	2009-10
Gujarat VAT Act, 2003	Sales tax	14,475	Deputy Commissioner of Commercial Tax	2009-10
Jharkhand VAT Act, 2006	Sales tax	1,151,934	Assessing officer	2012-13
Gujarat VAT Act, 2003	Sales tax	677,915	Joint Commissioner of Commercial Tax (Appeals)	2006-07
Gujarat VAT Act, 2003	Sales tax	489,113	Joint Commissioner of Commercial Tax (Appeals)	2011-12
Maharashtra VAT Act, 2002	Sales tax	1,121,110	Sales tax Appellate Tribunal	2003-04
Kerala VAT Act, 2003	Sales tax	1,236,357	Kerala VAT Tribunal	2007-08
Uttar Pradesh VAT Act, 2008	Sales tax	1,609,334	Commissioner of Commercial Tax	2010-11
Uttar Pradesh VAT Act, 2008	Sales tax	1,220,612	Additional Commissioner of Commercial Tax (Appeals)	2011-12
Jharkhand VAT Act, 2006	Sales tax	1,094,677	Joint Commissioner of Commercial Tax (Appeals)	2012-13
Uttar Pradesh VAT Act, 2008	Sales tax	461,682	Additional/Joint Commissioner of Commercial Tax	2012-13
Uttar Pradesh VAT Act, 2008	Sales tax	5,526,820	Additional/Joint Commissioner of Commercial Tax	2013-14
Uttar Pradesh VAT Act, 2008	Sales tax	2,076,802	Additional/Joint Commissioner of Commercial Tax	2009-10
Uttar Pradesh VAT Act, 2008	Sales tax	67,509	Additional Commissioner (Appeals)	2008-09
West Bengal VAT Act, 2003	Sales tax	478,879	Commissioner of Sales tax	2009-10
Karnataka VAT Act, 2003	Sales tax	1,663,225	Additional/Joint Commissioner of Commercial Tax	2010-11
Uttarakhand VAT Act, 2005	Sales tax	500,000	Deputy Commissioner of Commercial Tax	2011-12

* Amount as per draft/final demand orders including interest and penalty, wherever indicated in the order.

The Company is of the firm belief that the above demands are not tenable and are highly unlikely to be retained. Accordingly, no provision has been created in respect of these demands.

30 Payments to auditors (excluding service tax)

	For the year ended 31 March 2017	For the year ended 31 March 2016
As auditor:		
- For statutory audit	900,000	640,000
- For tax audit	100,000	100,000
- Out of pocket expenses	65,442	60,000
	1,065,442	800,000

31 Dues to micro and small suppliers

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro enterprises and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2017 and 31 March 2016 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
The amounts remaining unpaid to micro and small supplier as at the end of the year:		
- Principal	54,087,638	13,213,879
- Interest	1,016,914	8,313,488
The amount of interest paid by the buyer as per the MSMED Act, 2006	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year		
- Principal	105,436,584	214,846,693
- Interest	4,095,693	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	13,426,095	8,313,488
The amount of further interest remaining due and payable over in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006.	5,112,607	8,313,488

32 Related parties

a) Related parties where control exists

Ultimate holding company	General Electric Company
Holding company	GE Mauriitua Infrastructure Holding Ltd

b) Other related parties with whom transactions have taken place during the year

Fellow subsidiaries	GE India Industrial Private Limited
	GE Intelligent Platforms Private Limited
	GE Capital Service India
	Dresser Valve India Private Limited
	GE India Business Services Private Limited
	GE Sensing & Inspection Technologies GMBH
	Nuovo Pignone S.P.A.
	GE India Exports Private Limited
	GE International Operations (NIG) Limited
	GE Sensing EMEA
	GE Oil & Gas Inc
	Bentley Nevada, LLC
	Dresser Altruhaid Valve & Instrument Co. Ltd
	Dresser International, Inc
	Druck Limited
	General Electric South Africa (PTY) Ltd
	General Electric International, Inc
	Bentley do Brasil Ltda
	GE Global Sourcing India Private Limited
	General Electric Saudi Arabia Limited
	GE Water & Process Technologies Private Limited
	GE Oil and Gas Kenya



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c) Transactions with related parties:

	For the year ended 31 March 2017	For the year ended 31 March 2016
Transactions with ultimate holding company		
Purchase of stock in trade	-	6,060
Communication	1,316,472	-
Reimbursement of expenses	-	1,224,335
Bank charges	1,013,986	-
Royalty	4,583,580	4,070,530
Training & seminars	-	142,712
Legal and professional fees	5,759,712	-
Transactions with fellow subsidiaries		
Purchase of stock in trade		
GE Intelligent Platforms Private Limited	53,769,738	81,602,748
GE India Industrial Private Limited	41,004	9,746,093
Dresser Valve India Private Limited	2,858,529	-
Nuovo Pignone S.P.A	-	47,897
GE Oil & Gas INC.	-	198,636
Bently Nevada, LLC	-	1,709,701
Dresser International, INC	-	79,798
Druck Limited	-	69,942
GE India Business Services Private Limited	-	1,416,875
Cost of service rendered		
GE Intelligent Platforms Private Limited	3,761,075	-
Communication		
GE India Industrial Private Limited	3,899,723	3,441,272
GE Oil & Gas Inc.	607,987	230,720
General Electric International Inc.	13,132	-
Travel and conveyance (Reimbursement of expenses incurred on behalf of the Company)		
GE India Industrial Private Limited	29,126,291	29,796,981
GE India Business Services Private Limited	-	41,379
Reimbursement of expenses incurred by the Company		
General Electric South Africa (Pty) Ltd	-	724,495
Rent		
GE Capital Services India Private Limited	-	1,231,896
Loans availed		
GE Capital Services India Private Limited	-	1,827,250
GE India Exports Private Limited	-	-
Loans repaid		
GE Capital Services India Private Limited	-	1,394,821
Interest on asset under finance lease		
GE Capital Services India Private Limited	-	884,108
Insurance		
GE India Industrial Private Limited	-	39,226
Bank charges (Reimbursement of expenses incurred on behalf of the Company)		
General Electric Company	1,013,986	-
Ge Oil & Gas Inc.	2,012	-
General Electric International Inc.	3,742	-
Ge International Operations (Nig) Limited	1,674	-
Bently Do Brasil Ltda.	997	-
Training & Seminars		
GE India Industrial Private Limited	1,249,032	142,961
Nuovo Pignone S.P.A	379,437	-
General Electric International, Inc	-	1,629,035
Staff welfare		
GE India Industrial Private Limited	3,860	-
Office maintenance		
GE India Industrial Private Limited	57,838	-
General Electric International, Inc	37,426	-
General Electric Saudi Arabia Limited	2,012	-
Legal and professional fees		
GE India Industrial Private Limited	14,170,190	8,213,052
GE India Business Services Private Limited	6,433,860	5,239,469
General Electric International, Inc	110,980	-
Sale of products		
GE India Industrial Private Limited	625,500	11,553,936
GE Sensing EMEA	64,282	525,579
Bently do Brasil Ltda	-	392,367
GE Oil & Gas Inc.	70,892,385	-
GE East Africa Services Limited	265,982	-
General Electric International, Inc	68,720,217	-
GE International Operations Nigeria Limited	84,760	-
Sale of services		
GE India Industrial Private Limited	677,926	-
GE International Operations Nigeria Limited	1,922,100	-
GE Sensing EMEA	408,266	-
Rent received		
GE India Industrial Private Limited	-	898,269
GE Global Sourcing India Pvt Ltd	-	64,667



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d) Balances with related parties	As at	As at
	31 March 2017	31 March 2016
Balance with ultimate holding company		
Trade payables	20,811,148	9,768,879
Balances with fellow subsidiaries		
Trade payables		
GE Intelligent Platforms Private Limited	46,085,339	48,742,025
GE India Industrial Private Limited	48,563,176	41,792,261
General Electric International, Inc	49,926	-
GE India Business Services Private Limited	11,177,614	8,732,729
Nuovo Pignone S.P.A	-	456,480
Dresser International, INC	-	79,798
Druck Limited	59,204	69,942
GE Oil & Gas INC.	-	445,713
Bently Nevada, LLC	1,697,734	1,763,511
General Electric Saudi Arabia Limited	2,012	-
Dresser Valve India Private Limited	710,583	-
Loans payable		
GE Capital Services India	-	3,580,821
Unbilled revenue		
GE Oil & Gas Inc.	8,690,918	-
GE International Operation Nigeria Limited	80,724	-
GE Oil and Gas Kenya	199,368	-
Trade receivables		
GE International Operation Nigeria Limited	1,856,446	1,523,261
Dresser Alruhaid Valve & Instrument Co. Ltd	21,594,657	-
GE India Industrial Private Limited	257,277	3,235,182
Bently do Brasil Ltda	-	398,110
GE Global Sourcing India Private Limited	-	74,043
Ge Water & Process Technologies Private Limited	244,916	-
General Electric South Africa (PTY) Ltd	-	763,353

33 Leases

i. Operating leases

The Company has obtained certain premises, vehicle and laptops under cancellable lease agreements. The lease expenses charged to the statement of profit and loss on account of cancellable lease agreements amounted to Rs. 6,981,041 (previous year Rs. 998,350).

Further, the Company obtained certain office premises under non-cancellable lease agreement which have been terminated during the previous year. The lease expenses charged to the statement of profit and loss on account of non-cancellable lease agreements amounted to Rs. Nil (previous year Rs. 1,173,232).

ii. Finance leases

The Company has taken certain vehicles on finance leases. The finance lease obligations are repaid by monthly equated installment beginning from the month subsequent to taking the lease. The legal title to assets acquired under the finance leases vests with the lessor. The total minimum lease payments and maturity profile of finance leases as at year end, element of interest included in such payments, and present value of minimum lease payments are as follows:

Period	Total minimum lease payment outstanding as on 31 March 2017	Interest	Present value of minimum lease payment as on 31 March 2017
Payable within one year	1,333,806 (1,694,158)	260,817 (384,086)	1,072,989 (1,310,072)
Payable within 1-5 years	1,096,385 (2,576,065)	108,724 (305,316)	987,661 (2,270,749)

Figures in parentheses '()' indicate previous year figures

34 Employee Benefits

Disclosure in respect of employee benefits under Revised Accounting Standard (AS) - 15 "Employee Benefits" prescribed by the Companies (Accounting Standards) Rules, 2006:

Defined contribution plans:

An amount of Rs. 4,214,785 (previous year Rs. 6,725,147) pertaining to employer's contribution to Provident Fund and Other Funds is recognised as expense in the Statement of Profit and Loss.

Defined benefit plans:

Liability towards gratuity and leave encashment has been determined based on the method prescribed in AS 15 - 'Employee benefits.'

Under the Company's gratuity scheme, every employee who has completed 5 years or more of service, is eligible for gratuity on separation, worked out at 15 days of last drawn salary for each completed year of service. The obligation under the scheme is 100% funded by contribution being made to the Insurance Company.

The following table sets out the status of the gratuity plan as required under AS 15:

(i) Movement in present value of defined benefit obligations

Particulars	As at	As at
	31 March 2017	31 March 2016
Present value of obligation at the beginning of the year	14,085,459	12,546,350
Interest cost	1,236,834	1,049,066
Current service cost	1,453,036	1,482,318
Benefits paid	(1,949,540)	(955,037)
Actuarial (gain) / loss	(176,269)	(37,238)
Present value of obligation at the end of the year	14,649,520	14,085,459



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(ii) Movement in fair value of plan assets

Particulars	As at	
	31 March 2017	31 March 2016
Fair value of plan assets at the beginning of the year	5,626,358	6,370,112
Expected return on plan assets	584,966	689,661
Benefits paid	(1,949,540)	(955,037)
Actuarial gain/(loss)	(159,259)	(480,371)
Contributions by employer	2,164	1,993
Fair value of plan assets at the end of the year	4,104,689	5,626,358

(iii) Amount recognised in the balance sheet

Particulars	As at	
	31 March 2017	31 March 2016
Present value of obligation at the end of the year	14,649,520	14,085,459
Fair value of plan assets at the end of the year	(4,104,689)	(5,626,358)
Net liability recognized in balance sheet	10,544,831	8,459,101

(iv) Expense recognized in the statement of profit and loss

Particulars	For the year ended	
	31 March 2017	31 March 2016
Current service cost	1,453,036	1,482,318
Interest cost	1,236,834	1,049,066
Expected return on plan assets	(584,966)	(689,661)
Net actuarial loss/(gain) recognized in the year	(17,010)	443,133
Total included in 'Employee benefits'	2,087,894	2,284,856

(v) Major category of plan assets (as a percentage of total assets):

Particulars	As at	
	31 March 2017	31 March 2016
Insurer managed funds	100%	100%

(vi) Principal actuarial assumptions at the balance sheet date for gratuity are as follows:

i) Economic assumptions:

Particulars	As at	
	31 March 2017	31 March 2016
Discount rate	7.40%	8.40%
Expected rate of return on plan assets (p.a.)	7.50%	8.00%
Salary escalation rate (p.a.)	10% for first year & 8% thereafter	10.50% for first year & 8% thereafter

ii) Demographic assumptions:

Particulars	As at	
	31 March 2017	31 March 2016
Retirement age	60 years	60 years
Withdrawal rates:		
~ Professional Band and Lead Professional Band	13.30%	13.30%
~ Senior Professional Band & Above	0.00%	0.00%
~ Others	14.70%	14.70%
Mortality table	IALM (2006-08) Ultimate table	IALM (2006-08) Ultimate table

Expected rate of return on plan assets:

The expected rate of return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Discount rate:

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate:

The estimates of future salary escalation rate considered in actuarial valuation takes into account the inflation, seniority, promotion and other relevant factors on a long-term basis.

(vii) Experience adjustments

Particulars	For the year ended		For the year ended		For the year ended	
	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
Defined benefit obligation	14,649,520	14,085,459	12,546,350	10,540,897	16,579,612	
Fair value of plan assets	4,104,689	5,626,358	6,370,112	5,689,888	6,940,200	
Surplus/(deficit)	(10,544,831)	(8,459,101)	(6,176,238)	(4,851,009)	(9,639,412)	
Experience adjustment arising on plan liabilities	(1,489,476)	308,640	(862,051)	(489,891)	(549,962)	
Experience adjustment arising on plan assets	(159,259)	(480,371)	(55,730)	(251,279)	(66,985)	

The Company's best estimate of contribution during the next year is Rs 5,000,000 (previous year Rs 5,000,000)

35 Provisions:

Disclosure of movement in provisions in accordance with paragraph 66 and 67 of Accounting standard (AS) - 29 'Provisions, Contingent Liabilities and Contingent Assets' :-

Provision for Liquidated damages

Liquidated damages are provided based on contractual terms when the delivery/ commissioning dates of an individual project have exceeded or are likely to exceed the delivery/ commissioning dates as per the respective contracts. This expenditure is expected to be incurred within the next 12 months.

Particulars	For the year ended	
	31 March 2017	31 March 2016
Opening balance	50,953,516	49,999,245
Add: Provision made during the year	17,832,559	50,953,516
Less: Provision utilised/reversed during the year	(39,007,813)	(49,999,245)
Closing balance	29,778,262	50,953,516



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Provision for warranties

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repair, replacement, material cost, servicing and past experience in respect of warranty cost. It is expected that this expenditure will be incurred over the contractual warranty period.

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Opening balance	35,169,968	32,386,039
Add: Provision made during the year	10,934,563	21,231,538
Less: Provision utilised/reversed during the year	(13,384,147)	(18,447,609)
Closing balance	32,720,384	35,169,968

Provision for foreseeable losses

Provisions for foreseeable losses on contracts are recognised when it is probable that the contract costs will exceed the total contract revenue. This expenditure is expected to be incurred within the next 12 months.

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Opening balance	27,143,682	24,407,455
Add: Provision made during the year	-	27,143,682
Less: Provision utilised/reversed during the year	(23,482,973)	(24,407,455)
Closing balance	3,660,709	27,143,682

Provision for pending sales tax forms and other disputes

This represents provision for probable sales tax liabilities/ claims due to non-receipt of concessional tax forms for earlier years. The provision is based on estimate derived from historical experience of the Company. This provision is expected to be utilized within the next 12 months.

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Opening balance	-	-
Add: Provision made during the year	702,231	-
Less: Provision utilised/reversed during the year	-	-
Closing balance	702,231	-

36 Basic and diluted earning per share

The computation of earnings per share is set out below:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Net profit attributable to equity shareholders	(186,618,408)	50,981,639
Weighted average number of equity shares outstanding during the year	1,964,922	1,964,922
Nominal value of equity shares	10	10
Basic and diluted earning per share	(94.97)	25.95

37 Segment reporting

Information regarding Primary Segments

According to Accounting Standard (AS) - 17 'Segment Reporting', the primary business segment of the Company is manufacturing and trading of terminal automation systems and engineering, erection & commissioning of such systems. The products fall within a single segment and are subject to similar risks and returns. As the Company operates in a single primary segment, disclosure requirements under the said accounting standard are not applicable.

Information regarding Secondary Segments

The Company operates mainly in two geographical areas, domestic and export. Management has reviewed these geographical areas vis-à-vis the risks and returns that encompass them. While arriving at these, the Management has reviewed the similarity of the economic and political conditions, relationships between operations in these geographical areas, proximity of operations, and special risks, if any, associated with operations in these areas.

For the year ended 31 March 2017

Particulars	Within India	Outside India	Total
Segment revenue	1,064,650,845	172,257,347	1,236,908,191
Segment assets	1,105,856,447	34,323,043	1,140,179,490
Capital expenditure	1,362,399	-	-

For the year ended 31 March 2016

Particulars	Within India	Outside India	Total
Segment revenue	1,666,787,085	132,709,968	1,799,497,053
Segment assets	1,382,842,673	28,053,555	1,410,896,229
Capital expenditure	3,781,522	-	-

Segment accounting policies

The accounting principles used in the preparation of the financial statements and applied to record revenue and expenditure in individual segments are as set out in Note 2 of the financial statements. The description of segment assets and liabilities and the accounting policies in relation to segment accounting are as follows:

Segment revenue

Segment revenue has been allocated to both the segments on the basis of specific identification

Segment assets

Segment assets include all assets used by the segment.

38 Unhedged foreign currency exposures

Particulars	As at 31 March 2017		As at 31 March 2016	
	Amount in original currency	Amount (Rs.)	Amount in original currency	Amount (Rs.)
Trade Receivables (Gross)				
USD	390,100	25,293,538	416,530	28,053,555
Trade Payables				
USD	459,338	29,782,737	86,227	5,807,469
GBP	3,027	244,821	2,295	219,288
EUR	362,492	25,101,708	-	-
SAR	115	2,012	-	-
AED	52,085	951,950	-	-
Unbilled Revenue				
USD	139,261	9,029,505	-	-
Cash and bank balances				
USD	-	-	337,561	22,734,988

USD - US Dollar, GBP - Great Britain Pound, EUR - Euro, SAR - Saudi Riyal, AED - Arab Emirates Dirham



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39 Value of imports on CIF basis

	For the year ended 31 March 2017	For the year ended 31 March 2016
Raw materials	12,913,727	49,483,867
Spare parts and components	2,409,397	3,218,721
	<u>15,323,124</u>	<u>52,702,588</u>

40 Value of imported and indigenous raw materials consumed

	For the year ended 31 March 2017		For the year ended 31 March 2016	
	Amount	% of total consumption	Amount	% of total consumption
Imported	21,412,963	27.34%	50,536,263	51.44%
Indigenous	44,535,193	72.66%	47,703,722	48.56%
	<u>65,948,156</u>	<u>100.00%</u>	<u>98,239,985</u>	<u>100.00%</u>

41 (a) Expenditure in foreign currency

	For the year ended 31 March 2017	For the year ended 31 March 2016
Purchase of stock in trade	60,970,257	-
Royalty	4,583,580	4,070,530
Bank charges	1,022,410	1,289,892
Travel and conveyance	1,391,215	190,764
Communication	1,937,590	65,352
Office maintenance	39,438	2,360,408
Legal and professional fees	5,918,974	-
Training & Seminars	379,437	-
	<u>76,242,901</u>	<u>7,976,946</u>

(b) Earnings in foreign currency

	For the year ended 31 March 2017	For the year ended 31 March 2016
Sale of products (F.O.B value)	163,742,938	121,644,410
Sale of services	8,514,409	11,065,558
Reimbursement of expenses	-	1,720,430
	<u>172,257,347</u>	<u>134,430,398</u>

42 Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions as well as specified domestic transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date, as required by law. The Management is of the opinion that its international and specified domestic transactions are of arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

43 Change in Inventory of Finished goods, Work-in-progress & Stock in trade

Particulars	For the year ended 31 March 2017			For the year ended 31 March 2016		
	Opening Inventory	Closing Inventory	Increase/ (Decrease) in Inventory	Opening Inventory	Closing Inventory	Increase/ (Decrease) in Inventory
Finished goods						
Smart lock	2,752,420	11,330,993	8,578,573	1,064,863	2,752,420	1,687,558
Smart load	3,709,404	-	(3,709,404)	2,586,488	3,709,404	1,122,916
Smart ground detector	944,685	2,326,012	1,381,327	341,108	944,685	603,578
Others	7,868,004	3,409,878	(4,458,126)	7,997,806	7,868,004	(129,803)
	<u>15,274,513</u>	<u>17,066,883</u>	<u>1,792,370</u>	<u>11,990,265</u>	<u>15,274,513</u>	<u>3,284,249</u>
Stock-in-trade						
Cables	4,502,663	5,763,869	1,261,206	14,487,471	4,502,663	(9,984,808)
PLC system	1,064,828	2,324,705	1,259,877	18,062,463	1,064,828	(16,997,635)
Flow meters	1,210,200	13,671,513	12,461,313	11,659,486	1,210,200	(10,449,286)
Others	61,607,764	34,100,255	(27,507,509)	82,420,438	61,607,764	(20,812,675)
	<u>68,385,455</u>	<u>55,860,342</u>	<u>(12,525,113)</u>	<u>126,629,859</u>	<u>68,385,455</u>	<u>(58,244,404)</u>
Work-in-progress						
Integrated circuits	3,066,346	3,894,075	827,729	1,723,841	3,066,346	1,342,505
Electronic devices	4,206,393	132,557	(4,073,836)	1,836,195	4,206,393	2,370,198
Others	4,471,954	7,183,972	2,712,018	7,707,338	4,471,954	(3,235,383)
	<u>11,744,693</u>	<u>11,210,604</u>	<u>(534,089)</u>	<u>11,267,373</u>	<u>11,744,693</u>	<u>477,320</u>
Total	<u>95,404,662</u>	<u>84,137,829</u>	<u>(11,266,832)</u>	<u>149,887,497</u>	<u>95,404,661</u>	<u>(54,482,836)</u>



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Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2017
(All amounts are in India Rupees, unless otherwise stated)

- 44 Disclosures in relation to the Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016 as required by the MCA notification, G.S.R. 308 (E) dated 30 March 2017 issued by Ministry of Corporate Affairs:-

Particulars	Specified Bank Notes	Other denomination Notes	Total
Closing cash in hand as on 8 November 2016	-	-	-
Add: Permitted receipts	-	-	-
Less: Permitted payments	-	-	-
Less: Amount deposited in Banks	-	-	-
Closing cash in hand as on 30 December 2016	-	-	-

For the purpose of this clause, the term "Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated November 8, 2016.

For BSR & Co. LLP
Chartered Accountants
Firm registration number: 101248/WW-100022

Jiten Choudhary
Partner
Membership number: 092894

Place: Gurugram
Date: 19 September 2017

For and on behalf of Board of Directors of
Advanced Sys-Tek Private Limited


Ummed A Fiazra
Director
DIN : 00049036



Gurumurthy
Santhakrishnan
Director
DIN:07771398

Place: Vadodara
Date: 19-Sep-2017



B S R & Co. LLP
Chartered Accountants

Regd. No. 1705
Date 26/04/17

Maruthi Info-Tech Centre
11-12/1 Inner Ring Road
Koramangala
Bangalore 560 071 India

Telephone: + 91 80 3980 6000
Fax: + 91 80 3980 6999

Independent Auditor's Report
To the Members of Advanced Sys-tek Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Advanced Sys-tek Private Limited ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ("the Rules"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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.

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



B S R & Co. (a partnership firm with
Registration No. BAU1223) converted into
B S R & Co. LLP (a limited liability partnership
with LLP Registia
with effect from C

Registered Office:
1st Floor, Lodha Excelis
Mills Compound
zhi Mang, Muljalakhmi
4 - 400 031



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<input type="checkbox"/>	DAT 26/04/17

B S R & Co. LLP

Advanced Sys-tek Private Limited

Independent Auditor's Report (continued)

We believe that the audit evidence we have obtained 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 Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of 143(11) of the Act, we give in the Annexure - A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Rules;
 - (e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure - B"; and



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B S R & Co. LLP

Advanced Sys-tek Private Limited

Independent Auditors' Report – 31 March 2016 (continued)

- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30 to the financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses – Refer Note 36 to the financial statements;
 - iii. There were no amounts during the year which were required to be transferred to the Investor Education and Protection Fund by the Company.


for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022


Rohit Alexander
Partner
Membership Number: 222515

Bangalore

29 September 2016







B S R & Co. LLP

Advanced Sys-tek Private Limited

Annexure - A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the Members of Advanced Sys-tek Private Limited ("the Company") for the year ended 31 March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were observed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory, except goods-in-transit and stock lying at customer locations (accounted as contract inventory with customers and inventory), has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material. Considering the specialized nature of inventory, we are of the opinion that physical verification of stock lying at customer locations is not possible. Also, no written third party confirmations were received for stocks lying at customer locations.
- (iii) According to the information and explanations given to us, we are of the opinion that the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act"). Thus, paragraph 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us, the Company has not granted loans, investments, guarantees, and security to companies, firms or other parties and section 185 and 186 of the Act are not applicable to the Company. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Act for any of the products manufactured or services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.



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B S R & Co. LLP

Advanced Sys-tek Private Limited

Annexure - A to the Independent Auditors' Report (continued)

(b) According to the information and explanations given to us, there are no dues in respect of service tax, excise duty, value added tax, Cess and other material statutory dues which have not been deposited on account of any dispute. However, according to information and explanations given to us and on the basis of our examination of the records of the Company, the following dues of income-tax, sales tax and customs duty have not been deposited by the Company on account of disputes:

Sl. No.	Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
1	The Income-tax Act, 1961	Income-tax	89,518,825	2012-13	Commissioner of Income Tax (Appeals)
2	Central Excise Act, 1944	Customs duty	14,716,873 (3,500,000)	2001-02	CESTAT
3	Central Excise Act, 1944	Customs duty	23,262	2006-07	CESTAT
4	Gujarat VAT Act, 2003	Sales tax	19,393,571 (2,000,000)	2009-10	Deputy Commissioner of Commercial Tax
5	Gujarat VAT Act, 2003	Sales tax	14,475	2009-10	Deputy Commissioner of Commercial Tax
6	Gujarat VAT Act, 2003	Sales tax	3,305,499	2007-08	Gujarat VAT Tribunal
7	Gujarat VAT Act, 2003	Sales tax	677,915 (677,915)	2006-07	Joint Commissioner of Commercial Tax (Appeals)
8	Maharashtra VAT Act, 2002	Sales tax	1,121,110 (250,000)	2003-04	Sales tax Appellate Tribunal
9	Maharashtra VAT Act, 2002	Sales tax	8,204,833 (700,000)	2007-08	Deputy Commissioner Sales tax
10	Kerala VAT Act, 2003	Sales tax	1,236,357 (371,000)	2007-08	Kerala VAT Tribunal
11	Uttar Pradesh VAT Act, 2008	Sales tax	14,493,238 (3,827,352)	2010-11	Commissioner of Commercial Tax
12	Uttar Pradesh VAT Act, 2008	Sales tax	12,630,000 (12,130,000)	2011-12	Additional Commissioner (Appeal)
13	Uttar Pradesh VAT Act, 2008	Sales tax	3,000,500 (3,300,500)	2008-09	Additional Commissioner (Appeal)
14	West Bengal VAT Act, 2003	Sales tax	478,879	2009-10	Commissioner Sales tax
15	Uttarakhand VAT Act, 2005	Sales tax	240,000	2011-12	Assessing Officer

* The amounts in parenthesis represent the payment made under protest.



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Advanced Sys-tek Private Limited

Annexure - A to the Independent Auditors' Report (continued)

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions. The Company did not have any outstanding dues to any debenture holders during the year.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The Company is a private company and accordingly the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. As explained to us, Section 177 of the Companies Act, 2013 is not applicable to the Company.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

for B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Rohit Alexander

Partner

Membership Number: 222515

Bangalore

29 September 2016





B S R & Co. LLP

Advanced Sys-tek Private Limited

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Advanced Sys-tek Private Limited as of 31 March 2016 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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





B S R & Co. LLP
Advanced Sys-tek Private Limited

Annexure - B to the Independent Auditors' Report (continued)

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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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 issued by ICAI.

for B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

Rohit Alexander
Partner
Membership Number: 222515

Bangalore

29 September 2016





Advanced Sys-Tek Private Limited
Balance sheet

	Note	As at 31 March 2016	(Amount in Rs) As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	19,649,220	19,649,220
Reserve and surplus	4	308,038,705	257,057,066
		<u>327,687,925</u>	<u>276,706,286</u>
Non-current liabilities			
Long-term borrowings	5	2,270,749	2,569,048
Long-term provisions	6	21,643,401	23,385,707
		<u>23,914,150</u>	<u>25,954,755</u>
Current liabilities			
Short term borrowings	7	316,308,329	124,410,282
Trade payables	8		
dues of micro and small enterprises		13,213,879	2,108,957
dues of creditors other than micro and small enterprises		347,745,926	350,184,839
Other current liabilities	9	277,947,756	413,434,826
Short-term provisions	6	104,078,264	93,628,858
		<u>1,050,294,154</u>	<u>983,767,762</u>
		<u>1,410,896,229</u>	<u>1,286,428,803</u>
ASSETS			
Non-current assets			
Fixed assets			
- Tangible fixed assets	10	64,463,202	68,290,524
- Intangible fixed assets	11	1,628,131	1,910,440
Long-term loans and advances	12	94,912,005	55,281,781
Deferred tax assets (net)	13	55,774,708	57,728,576
Other non-current assets	14	650,000	670,000
		<u>217,428,046</u>	<u>183,881,321</u>
Current assets			
Inventories	15	123,293,195	174,771,996
Trade receivables	16	339,268,438	302,546,666
Cash and bank balances	17	22,754,988	100,742
Short-term loans and advances	18	37,887,091	40,624,953
Other current assets	19	670,264,471	584,503,125
		<u>1,193,468,183</u>	<u>1,102,547,482</u>
		<u>1,410,896,229</u>	<u>1,286,428,803</u>

Significant accounting policies

2

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for BSR & Co. LLP
Chartered Accountants
Firm registration number 101248W/W-100022

Rohit Alexander
Partner
Membership number 222515

Place: Bangalore
Date: 29 SEP 2016

for and on behalf of Board of Directors of
Advanced Sys-Tek Private Limited

Umed A Ffadra
Director
DIN: 00049036

Place: Vadodara
Date: 26 SEP 2016

Amr Kumar Saaghyi
Director
DIN: 07584349

Place: Vadodara
Date: 26 SEP 2016





Advanced Sys-Tek Private Limited
Statement of Profit and loss

	Note	For the year ended 31 March 2016	(Amount in Rs) For the year ended 31 March 2015
Revenue from operations			
Sale of products (gross)	20	1,582,029,686	1,365,139,230
Less: Excise duty		(20,122,658)	(14,413,816)
Sale of products (net)		1,561,907,028	1,350,725,414
Sale of services		237,590,025	142,183,550
Total		1,799,497,053	1,492,908,964
Other income	21	64,768,064	40,290,626
Total revenue		1,864,265,117	1,533,199,590
Expenses			
Cost of materials consumed	22	98,239,985	47,040,472
Purchases of stock-in-trade	23	1,035,269,475	802,223,402
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	54,482,836	(53,341,406)
Employee benefits expense	25	99,276,407	94,544,624
Finance costs	26	30,535,605	16,748,524
Depreciation and amortisation	27	6,969,798	5,822,306
Other expenses	28	462,134,042	536,943,441
Total expenses		1,786,908,148	1,449,981,363
Profit before prior period items and tax		77,356,969	83,218,227
Prior period (income)	29	-	(25,618,173)
Profit before tax		77,356,969	108,836,400
Income tax expenses:			
Current tax		11,706,240	33,790,720
Add: MAT credit utilisation		12,873,404	-
Less: MAT credit entitlement		(158,180)	(14,189,043)
Deferred tax charge		1,953,866	12,640,533
		26,375,330	32,242,210
Profit after tax		50,981,639	76,594,189
Earnings per equity share [Nominal value of Rs. 10 (Previous year: Rs. 10)]			
Basic and diluted	37	25.95	38.98
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

for B. R. & Co. I.I.P.
Chartered Accountants
Firm registration number 101248W/W-100022

Rehlt Alexander
Partner
Membership number: 222515

Place: Bangalore
Date: 29 SEP 2016

for and on behalf of Board of Directors of
Advanced Sys-Tek Private Limited

Umed A Fafadra
Director
DIN: 00049036

Amitkumar Sanghvi
Director
DIN: 07584349

Place: Vadodra
Date: 26 SEP 2016

Place: Vadodra
Date: 26 SEP 2016



Advanced Sys-Tek Private Limited
Cash flow statement

	For the year ended 31 March 2016	(Amount in Rs) For the year ended 31 March 2015
A. Cash flow from operating activities		
Profits before tax	77,356,969	108,836,400
Adjustments for:		
Depreciation and amortisation	6,969,798	5,822,306
Royalty	4,070,530	2,737,776
Provision for foreseeable losses	2,736,227	24,407,453
Provision for liquidated damages	954,270	27,977,930
Provision for warranty	2,783,929	17,742,454
Loss on sale of fixed assets, net	31,665	2,671
Prior period income	-	(25,618,173)
Interest income	(2,410)	(40,718)
Provision for doubtful advances no longer required written back	(676,702)	(907,843)
Provision for doubtful debts no longer required written back	(58,174,159)	(35,570,602)
Liability no longer required written back	(19,006)	(1,316,521)
Finance lease rentals	884,108	717,691
Unrealised foreign exchange loss/(gain)	(737,274)	(18,840)
Loans and advances written off	-	1,673,363
Bad and doubtful debts written off	15,299,995	29,642,961
Provision for bad and doubtful debts	29,356,483	43,626,471
Provision for doubtful loans and advances	736,895	1,321,216
Interest expenses	29,651,497	15,933,048
Operating cash flows before working capital changes	111,222,815	216,909,038
Changes in working capital		
Changes in trade receivables	(24,010,699)	(239,429,632)
Changes in inventories	51,478,801	(62,547,391)
Changes in loans and advances	(56,307,040)	(19,139,893)
Changes in other current assets	(85,788,054)	(123,218,486)
Changes in trade payables	4,902,170	177,334,939
Changes in provisions	2,232,673	(19,476,002)
Changes in other current liabilities	(135,468,065)	147,263,212
	(242,960,212)	(139,213,452)
Cash generated from/(used in) operating activities before taxes	(131,737,397)	77,695,586
Direct taxes paid (net of refunds)	5,468,547	13,874,128
Net cash (used)/generated by operating activities	(137,205,944)	63,821,458
B. Cash flow from investing activities		
Purchase of fixed assets	(3,781,522)	(9,335,717)
Proceeds from sale of fixed assets	889,692	475,324
Maturity of bank deposits	20,000	1,020,000
Interest received	29,117	120,514
Net cash used by investing activities	(2,842,713)	(7,719,679)
C. Cash flow from financing activities		
Utilization of overdraft facility	191,898,047	(41,760,074)
Finance lease borrowing	(298,299)	1,560,912
Finance lease rentals paid	(884,108)	(717,691)
Interest paid	(29,651,497)	(15,933,048)
Net cash provided/(used by) financing activities	161,064,143	(56,849,901)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	21,015,486	(748,122)
Effect of exchange differences on cash and cash equivalents held in foreign currency	1,638,760	1,005
Cash and bank balances at the beginning of the year	100,742	847,859
Cash and cash equivalents at the end of the year (refer note 17)	22,754,988	108,742

As per our report of open date attached.

for S R & Co. LL.
Chartered Accountants
Firm registration number: 101248/W-110072

Mohit Alexander
Partner
Membership number: 222515

Place: Bangalore
Date: 29 SEP 2016

for and on behalf of Board of Directors of
Advanced Sys-Tek Private Limited

Umesh A. Filandra
Director
DIN: 00049030

Place: Vadodra
Date: 26 SEP 2016

Amit Kumar Sanghvi
Director
DIN: 07384349

Place: Vadodra
Date: 26 SEP 2016



Advanced Sys-Tek Private Limited

Notes to the financial statements for the year ended 31 March 2016

1. Background

Advanced Systek Private Limited (the 'Company') is a subsidiary of GE Mauritius Infrastructure Holding Ltd., a subsidiary of General Electric Company, USA. GE Mauritius Infrastructure Holding Ltd. holds sixty seven percent, of the issued and paid-up share capital of the Company. The company offers complete automation and metering solution to customers using project management expertise and specialised knowledge of the Oil & Gas measurement industry. This enables customers to measure, automate and control the transportation and distribution of their products through pipelines, tank trucks, barges and rail wagons.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

(i) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India ("ICAI"), and the provisions of the Act to the extent notified and applicable and the Companies Act, 1956 to the extent relevant. The financial statements are presented in Indian Rupees.

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 the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(ii) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles in India (Indian GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent and liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

(iii) Fixed assets, depreciation and amortisation

Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an item of tangible fixed asset comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.



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Advanced Sys-Tek Private Limited

Notes to the financial statements for the year ended 31 March 2016 (continued)

2. Significant accounting policies (continued)

(iii) Fixed assets, depreciation and amortisation (continued)

Pursuant to the enactment of Companies Act, 2013, depreciation is provided on straight line method based on the useful lives as prescribed under Schedule II of the Act. Consequently, written down value (net of residual value) of fixed assets as at 1 April 2014 is being depreciated / amortised over the revised remaining useful life, whereas, fixed assets whose useful life as per Schedule II has expired as at 1 April 2014, written down value (net of residual value) of such fixed assets have been adjusted in the statement of profit and loss.

Depreciation on following assets is provided on straight-line method at rates different than those prescribed under Schedule II of the Companies Act, 2013:-

Plant and machinery	5 Years
Furniture and Fixtures	5 Years

Cost of leasehold land and vehicles is amortized over the period of lease.

Intangible fixed assets and amortisation

Intangible assets that are acquired by the Company are initially measured at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised over the period the Company expects to derive economic benefits from their use. The Management believes that the period of amortization is representative of the period over which the Company expects to derive economic benefits from the use of the asset.

(iv) Impairment

The carrying values of assets are reviewed at each reporting date to determine if there is any indication of any impairment. If any indication exists, the assets recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognised.

Depreciation is charged on the value of the asset (net of impairment loss) over the remaining useful life on a systematic basis if the assets are not held for sale. Impairment loss recognised in earlier periods is reversed on disposal/deletion of these assets.

(v) Operating and finance leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of assets taken on operating lease are charged to Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance lease. Assets taken on finance lease are initially capitalized at fair value of the assets or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charge is allocated to producing the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.



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Advanced Sys-Tek Private Limited

Notes to the financial statements for the year ended 31 March 2016 (continued)

2 Significant accounting policies (continued)

(vi) Inventories

Inventories which comprise raw materials, work-in-progress, finished goods and stock-in-trade, stores and spares, and loose tools are carried at the lower of cost and net realizable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

The comparison of cost and net realizable value is made on an item-by-item basis.

Provision for inventory obsolescence is assessed annually and is provided for as considered necessary.

Contract Inventory with customer

Contract inventory with customers includes cost incurred on projects which are not complete, i.e., where site acceptance test has not been conducted. Until a project is complete the risk of damage/loss to materials supplied remains with the Company although the customer possesses control over the inventory. As such all the costs incurred until a project is complete is presented separately under this head.

(vii) Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange services is recognized as an expense as the related services is rendered by employees.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pay specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund and Employee State Insurance to Government administered provident fund and Employee State Insurance schemes which is a defined contribution plan. The Company's contribution is recognized as an expenses in the Statement of Profit and Loss during the period in which employee renders the related service.



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Advanced Sys-Tek Private Limited

Notes to the financial statements for the year ended 31 March 2016 (continued)



2. Significant accounting policies (continued)

(vii) Employee benefits (continued)

Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the statement of profit and loss. Gains or losses are recognised immediately in the statement of profit and loss. Gains or losses on curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

The gratuity scheme is administered through Reliance Life Insurance and the provision for same is determined on the basis of actuarial valuation carried out as at the year end. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

Compensated absences

The employees can carry forward a portion of the unutilized accrued compensated absences and utilized it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly with in twelve months after the end of the period in which the employees rendered the related service and are also not expected to be utilized wholly within twelve months after the end of such periods, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of independent actuary's valuation using the projected unit credit method.

Termination benefits

Termination benefits are recognized as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.



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Advanced Sys-Tek Private Limited

Notes to the financial statements for the year ended 31 March 2016 (continued)

2. Significant accounting policies (continued)

(viii) Revenue Recognition

Revenue from sales of good in the course of ordinary activities is recognized when property in the goods or all significant risk and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of consideration that will be diverted from the sale of the goods and regarding its collection.

Service revenue is recognized as per the terms of the contract with the customer. The service value is exclusive of service tax.

Revenues and cost from fixed price work contracts for supply and installation of the automation solutions are recognized on transfer of all significant risk and rewards of the ownership of the good to the end customer.

Income from annual maintenance contracts is recognized on a straight-line basis over the term of the contract.

The amount recognized as revenue is exclusive of sales tax, value added tax (VAT) and service tax, and it is net of returns, trade discounts and quantity discounts.

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

(ix) Foreign exchange transactions

The Company is exposed to currency fluctuations on foreign currency transactions. Foreign exchange transactions are recorded using the average exchange rates prevailing in the month of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the profit and loss account of the year.

All monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss.

(x) Provisions

A provision is recognized if, as a result of past event, the Company has a present obligation that can be estimated reliably, and it is probably that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditures required to settle the present obligations at the balance sheet date. The provisions are measured on an undiscounted basis.

Warranties

Warranty cost are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods.

Onerous Contracts

A contract is considered as onerous contract when the expected economic benefits to be derived by the company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.



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Advanced Sys-Tek Private Limited

Notes to the financial statements for the year ended 31 March 2016 (continued)



2. Significant accounting policies (continued)

Contingencies

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines, penalties, etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

Liquidated damages

Liquidated damages are estimated by the management on the basis of delay in the sales made by the Company. The liability is accrued for both the delay in actual sales and back log orders.

(xi) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require and outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibilities of outflow of resources are remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which change occurs.

(xii) Taxation

Income-tax expense comprises current tax (i.e. amount of tax the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) Income-tax expense is recognized in profit and loss except that tax expense related to items recognized directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charges or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the Statement of Profit and loss. The credit available under the Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.



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Advanced Sys-Tek Private Limited

Notes to the financial statements for the year ended 31 March 2016 (continued)

2. Significant accounting policies (continued)

(xiii) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balance in bank in current accounts. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(xiv) Cash flow statement

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

(xv) Earnings per share

The Basic and dilutive earnings/(loss) per share is computed by dividing the net profit/(loss) attributable to equity shareholders for the year by weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed after adjusting the effects of all dilutive potential equity shares, if any.



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Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

3 Share capital	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
Authorized		
Equity shares		
4,800,000 (previous year: 4,800,000) equity shares of Rs 10 each	48,000,000	48,000,000
Issued, subscribed and paid up		
Equity shares		
1,964,922 (previous year: 1,964,922) equity shares of Rs. 10 each fully paid up	19,649,220	19,649,220
	19,649,220	19,649,220

a. The reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at 31 March 2016		As at 31 March 2015	
	Number	Amount	Number	Amount
At the commencement of the year	1,964,922	19,649,220	1,964,922	19,649,220
Add: Shares issued during the year	-	-	-	-
At the end of the year	1,964,922	19,649,220	1,964,922	19,649,220

b. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c. Equity shares held by ultimate holding company/ holding company and/ or their subsidiaries/ associates

Equity shares of Rs 10 each fully paid up held by	As at 31 March 2016		As at 31 March 2015	
	Number	Amount	Number	Amount
GE Mauritius Infrastructure Holding Limited (holding company)	1,316,497	13,164,970	1,316,497	13,164,970
	1,316,497	13,164,970	1,316,497	13,164,970

d. Details of shareholders holding more than 5% shares in the Company

Equity shares of Rs 10 each fully paid up held by	As at 31 March 2016		As at 31 March 2015	
	Number	% of total shares	Number	% of total shares
GE Mauritius Infrastructure Holding Limited (holding company)	1,316,497	67.0%	1,316,497	67.0%
Mr. Umesh Fivadra	324,212	16.5%	324,212	16.5%
Mr. Mukesh Kapadia	324,212	16.5%	324,212	16.5%

e. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

The Company has not issued any bonus shares, nor issued shares for consideration other than cash nor has bought back any equity shares during the period of five years immediately preceding the reporting date.



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Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

4 Reserves and surplus	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
General reserve		
At the commencement of the year	105,602,284	105,602,284
At the end of the year	105,602,284	105,602,284
Surplus (Profit and loss balance)		
At the commencement of the year	151,454,782	74,860,593
Add: Profit for the year	50,981,639	76,594,189
At the end of the year	202,436,421	151,454,782
Total reserves and surplus	308,038,705	257,057,066

5 Long term borrowings	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
Secured		
Finance lease obligations from fellow subsidiaries (refer note 34)	2,270,749	2,569,048
	2,270,749	2,569,048

The Company has taken certain vehicles on finance lease. The legal title of these cars vests with their lessors. The lease term for such vehicles ranges from 3-4 years with equated monthly payments beginning from the month subsequent to the commencement of lease. The rate of interest implicit in the above is 13.5% p.a (previous year 13.5% p.a).

6 Provisions	(Amount in Rs)			
	Long term		Short term	
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Provision for employee benefits:				
Compensated absences	2,999,885	3,271,039	995,513	774,548
Gratuity (refer note 35)	8,459,101	6,176,238	-	-
	11,458,986	9,447,277	995,513	774,548
Other provisions:				
Provision for warranties (refer note 36)	10,184,415	13,938,430	24,985,553	18,447,609
Provision for foreseeable losses (refer note 36)	-	-	27,143,682	24,407,453
Provision for liquidated damages (refer note 36)	-	-	50,953,516	49,999,246
	10,184,415	13,938,430	103,082,751	92,854,310
	21,643,401	23,385,707	104,078,264	93,628,858





Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

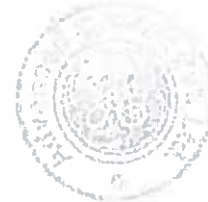
7 Short term borrowings	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
Loans repayable on demand (unsecured)		
Overdraft facilities from bank	316,308,329	124,410,282
	<u>316,308,329</u>	<u>124,410,282</u>

Overdraft facilities from bank carried interest rate in the range of 10.90% - 11.25% p.a (previous year 10.00% - 12.75% p.a), computed on a daily basis on the actual amount utilized, and are repayable on demand

8 Trade payables	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
Trade payables	360,959,806	352,293,796
	<u>360,959,806</u>	<u>352,293,796</u>

Includes dues to micro and small suppliers (refer note 32)

9 Other current liabilities	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
Current maturities of finance lease obligations (refer note 34)	1,310,072	1,373,650
Advance received from customers	253,326,634	401,279,007
Interest on dues to Micro, small and medium enterprises	8,313,488	97,785
Accrued salaries and benefits	3,807,386	758,910
Statutory dues payable:		
- Provident fund and other funds	751,549	724,376
- Tax deducted at source	2,525,116	1,298,652
- Excise duty	5,786,199	887,510
- Service tax	2,127,312	-
- Value added tax	-	7,014,936
	<u>277,947,756</u>	<u>413,434,826</u>





Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
12 Long-term loans and advances		
Unsecured, considered good		
Capital advances	81,484	-
Security deposits	1,401,100	755,500
Advance income tax and tax deducted at source, net of provision for income tax	56,577,631	34,909,490
MAT credit entitlement	1,473,819	14,189,043
	<u>59,534,034</u>	<u>39,854,033</u>
Balances with government authorities		
- considered good	35,377,971	15,427,748
- considered doubtful	243,082	243,082
Less: Provision for doubtful deposits	<u>(243,082)</u>	<u>(243,082)</u>
	<u>35,377,971</u>	<u>15,427,748</u>
	<u>94,912,005</u>	<u>55,281,781</u>

	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
13 Deferred tax		
Deferred tax liability:		
Excess of depreciation on fixed assets under income-tax law over depreciation/amortization provided in accounts	7,158,996	6,886,130
	<u>7,158,996</u>	<u>6,886,130</u>
Deferred tax asset:		
Expenditure under section 37 of Income-tax Act, 1961	2,482,097	2,227,398
Expenditure under section 40 (a) of Income-tax Act, 1961	4,664,112	1,840,118
Provision for foreseeable losses	9,393,886	8,069,837
Provision for doubtful debts	11,799,663	20,800,881
Provision for warranties	12,171,623	10,707,796
Provision for retirement benefits	4,310,253	3,379,642
Provision for doubtful advances	478,078	436,834
Provision for liquidated damages	17,633,992	16,531,251
Provision for slow moving inventory	-	620,949
	<u>62,933,704</u>	<u>64,614,706</u>
Deferred tax asset, net*	<u>55,774,708</u>	<u>57,728,576</u>

* Deferred tax asset of Rs 55,774,708 (previous year: Rs 57,728,576) has been recognised as there is reasonable certainty that the deferred tax asset shall be realised against future taxable incomes.



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Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

14 Other non-current assets	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
Unsecured, considered good		
Bank deposits (due to mature after 12 months from the reporting date)*	650,000	670,000
	<u>650,000</u>	<u>670,000</u>

* Includes bank deposits held as margin money deposit for guarantees to customers and deposits given to sales tax authorities

15 Inventories (Valued at the lower of cost and net realisable value)	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
Raw materials (net of provision for slow moving inventory Rs 1,207,193 (previous year: Rs 1,878,077))	29,095,727	26,762,576
Work-in-progress	11,744,693	11,267,373
Finished goods	15,274,513	11,990,265
Stock-in-trade (includes goods-in-transit Rs 6,575,957 (previous year: Rs 27,388,311))	68,385,455	126,629,859
	<u>124,500,388</u>	<u>176,650,073</u>
Less: Provision for slow moving inventory	(1,207,193)	(1,878,077)
	<u>123,293,195</u>	<u>174,771,996</u>

16 Trade receivables	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
Unsecured		
Receivables outstanding for a period exceeding six months from the date they are due for payment		
- considered good*	62,183,612	79,415,353
- considered doubtful	19,576,316	32,830,936
Less: Provision for doubtful debts	(19,576,316)	(32,830,936)
	<u>62,183,612</u>	<u>79,415,353</u>
Other receivables		
- considered good*	277,084,826	223,131,314
- considered doubtful	14,518,874	30,081,929
Less: Provision for doubtful debts	(14,518,874)	(30,081,929)
	<u>277,084,826</u>	<u>223,131,314</u>
	<u>339,268,438</u>	<u>302,546,666</u>

* Includes receivables from related parties (refer note 33)

17 Cash and bank balances	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
Cash and cash equivalents:		
Balances with banks		
- On EEFC account	22,734,988	100,742
Other bank balances		
Fixed deposits (due to mature beyond 3 months but within 12 months from date of deposit)	20,000	-
	<u>22,754,988</u>	<u>100,742</u>



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Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

18 Short-term loans and advances	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
Unsecured		
Advances to be received in cash or kind for value to be received		
- considered good	10,152,412	19,005,243
- considered doubtful	-	576,752
Less: Provision for doubtful advances	-	(576,752)
	<u>10,152,412</u>	<u>19,005,243</u>
Advances for supply of goods and services		
- considered good	10,518,321	4,103,807
- considered doubtful	1,138,327	501,382
Less: Provision for doubtful advances	(1,138,327)	(501,382)
	<u>10,518,321</u>	<u>4,103,807</u>
Other loans and advances (considered good)		
Prepaid expenses	3,040,652	3,233,892
Security deposits	972,086	983,739
Balances with government authorities	13,203,620	13,298,272
	<u>17,216,358</u>	<u>17,515,903</u>
	<u>37,887,091</u>	<u>40,624,953</u>

19 Other current assets	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
Unsecured, considered good		
Interest accrued but not due on fixed deposits	19,391	46,098
Contract inventory with customers	414,514,705	457,648,039
Other receivables	-	3,759,228
Unbilled revenue	255,730,375	123,049,760
	<u>670,364,471</u>	<u>584,503,125</u>



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Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

26 Finance costs	(Amount in Rs)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest on:		
- short term borrowings	19,292,030	15,933,048
- asset under finance lease	884,108	717,691
- others	10,359,467	97,785
	<u>30,535,605</u>	<u>16,748,524</u>
27 Depreciation and amortisation	(Amount in Rs)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Depreciation on tangible fixed assets	6,627,570	5,621,236
Amortisation on intangible fixed assets	342,228	201,070
	<u>6,969,798</u>	<u>5,822,306</u>
28 Other expenses	(Amount in Rs)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Erection charges	227,926,191	188,643,580
Travel and conveyance	47,723,756	40,206,937
Rent (refer note 34)	2,171,582	2,076,527
Power and fuel	3,053,045	2,911,317
Repairs and maintenance:		
- buildings	163,050	262,441
- others	2,595,798	3,047,971
Legal and professional fees	24,355,028	26,851,191
Payment to auditors (refer note 31)	800,000	800,000
Royalty	4,070,530	2,737,776
Rates and taxes	18,558,054	4,237,485
Postage and telephones	6,556,143	4,409,225
Communication	4,864,092	7,243,324
Printing and stationery	1,960,672	1,118,430
Insurance	616,125	1,958,251
Bank charges	4,267,825	5,431,318
Provision for Liquidated damages, net (refer note 36)	954,270	27,977,930
Liquidated damages	893,937	-
Works contract sales tax expense	35,727,559	82,504,980
Warranty and replacement expenses (refer note 36)	23,549,135	30,542,668
Loans and advances written off	-	1,673,363
Bad and doubtful debts written off	15,299,995	29,642,961
Provision for doubtful trade receivables	29,356,483	43,626,471
Provision for doubtful loans and advances	736,895	1,321,216
Provision for foreseeable losses (refer note 36)	2,736,227	24,407,455
Loss on sale of fixed assets, net	31,665	-
Miscellaneous expenses	3,165,985	3,310,624
	<u>462,134,042</u>	<u>536,943,441</u>
29 Prior period (income)	(Amount in Rs)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Cost of goods sold of earlier years	-	(25,052,238)
Advance paid wrongly written off earlier	-	(565,915)
	<u>-</u>	<u>(25,618,173)</u>



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Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

10 Tangible fixed assets

Description	(Amount in Rs)									
	As at 1 April 2015		Gross Block		Depreciation		As at 31 March 2016		As at 31 March 2015	
	As at 1 April 2015	Additions	Deletions/ Adjustments	As at 31 March 2016	As at 1 April 2015	Depreciation for the year	Deletions/ Adjustments	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016
Own assets										
Buildings	37,696,867	-	-	37,696,867	5,037,831	606,026	-	5,643,857	-	32,053,010
Plant and equipment	925,557	615,603	-	1,541,160	672,726	149,116	-	821,842	-	719,318
Furniture and fixtures	11,211,131	28,672	-	11,239,803	10,802,123	28,754	-	10,830,877	-	408,926
Electrical Installations	9,938,349	-	-	9,938,349	9,621,956	75,623	-	9,697,580	-	240,769
Office equipments	9,077,439	917,266	-	9,994,705	3,690,231	1,292,142	-	4,982,372	-	5,012,333
Computers	14,847,138	-	-	14,847,138	5,344,389	2,488,448	-	7,832,837	-	7,011,301
	83,696,481	1,567,541	-	85,259,022	35,169,256	4,640,109	-	39,809,363	-	45,449,659
Leased assets										
Land	18,405,963	-	-	18,405,963	2,895,878	276,435	-	3,172,313	-	15,233,650
Vehicles	5,537,746	2,160,062	1,105,629	6,592,179	1,264,532	1,711,026	184,272	2,811,286	2,811,286	3,780,893
	23,943,709	2,160,062	1,105,629	24,998,142	4,180,410	1,987,461	184,272	5,983,599	5,983,599	19,014,543
	107,640,190	3,727,603	1,105,629	110,256,164	39,349,666	6,627,570	184,272	45,792,962	45,792,962	64,463,202
Depreciation										
	As at 1 April 2014	Gross Block Additions	Deletions/ Adjustments	As at 31 March 2015	As at 1 April 2014	Depreciation for the year*	Deletions/ Adjustments	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015
Own assets										
Buildings	37,601,233	95,634	-	37,696,867	4,431,172	606,659	-	5,037,831	-	32,659,036
Plant and equipment	864,417	61,140	-	925,557	574,382	98,344	-	672,726	-	252,831
Furniture and fixtures	11,133,390	77,741	-	11,211,131	10,776,003	26,120	-	10,802,123	-	409,008
Electrical Installations	9,938,349	-	-	9,938,349	9,339,523	282,433	-	9,621,956	-	316,393
Office equipments	6,473,589	2,603,850	-	9,077,439	2,647,598	1,042,633	-	3,690,231	-	5,387,208
Computers	14,633,463	213,675	-	14,847,138	3,090,572	2,253,817	-	5,344,389	-	9,502,749
	80,644,441	3,052,040	-	83,696,481	30,859,251	4,310,005	-	35,169,256	-	48,527,225
Leased assets										
Land	18,405,963	-	-	18,405,963	2,734,824	161,254	-	2,895,878	-	15,510,085
Vehicles	2,135,708	4,172,167	770,129	5,537,746	426,489	1,149,977	291,934	1,264,532	1,264,532	4,253,214
	20,541,671	4,172,167	770,129	21,943,709	3,161,113	1,311,231	291,934	4,180,410	4,180,410	19,763,299
	101,186,112	7,224,207	770,129	107,640,190	34,020,364	5,621,236	291,934	39,349,665	39,349,665	68,290,524

* Pursuant to the requirements of Schedule II to the Companies Act 2013, the Company has reassessed the useful life of the assets that best represent the period over which the Company expects to use these assets. Accordingly depreciation charge for the previous year has decreased by Rs 676,988.



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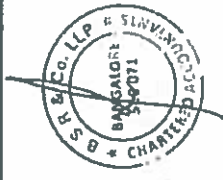
Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

11 Intangible fixed assets

Description	Gross Block				Amortisation		Net Block	
	As at 1 April 2015	Additions	Deletions	As at 31 March 2016	As at 1 April 2015	Amortisation for the year	As at 31 March 2016	As at 31 March 2016
Computer software	2,111,510	59,919	-	2,171,429	201,070	342,228	543,298	1,628,131
	2,111,510	59,919	-	2,171,429	201,070	342,228	543,298	1,628,131
Description	Gross Block				Amortisation		Net Block	
As at 1 April 2014	Additions	Deletions	As at 31 March 2015	As at 1 April 2014	Amortisation for the year	As at 31 March 2015	As at 31 March 2015	
Computer software	-	2,111,510	-	2,111,510	201,070	201,070	1,910,440	
	-	2,111,510	-	2,111,510	201,070	201,070	1,910,440	



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Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

30 Contingent liabilities and commitments
(to the extent not provided for)

Contingent liabilities:	(Amount in Rs)	
	As at 31 March 2016	As at 31 March 2015
Claims against the Company not acknowledged as debt:		
- Income tax matters for different assessment years pending before authorities	-	400,000
- Customs, excise and other matters for different years pending before various authorities	33,435,250	70,266,236
Other matters:		
- Guarantees issued by company's bankers	2,742,801	5,095,153
Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

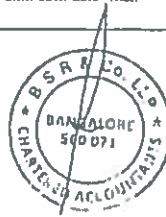
31 Payments to auditors (excluding service tax)

As auditor	(Amount in Rs)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
- For statutory audit	640,000	640,000
- For tax audit	100,000	100,000
- Out of pocket expenses	60,000	60,000
	800,000	800,000

32 Dues to micro and small suppliers

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2016 has been made in the financials statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act as at the balance sheet date.

Particulars	(Amount in Rs)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
The amounts remaining unpaid to micro and small supplier as at the end of the year		
- Principle	13,213,879	2,108,957
- Interest	8,313,488	97,785
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year	214,846,693	3,848,371
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	8,313,488	97,785
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise	8,411,274	97,785



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Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

33 Related parties

- a) *Related parties where control exists*
- | | |
|--------------------------|--|
| Ultimate holding company | General Electric Company, USA |
| Holding company | GE Mauritius Infrastructure Holding Ltd, Mauritius |
- b) *Other related parties with whom transactions have taken place during the year*
- | | |
|---------------------|--|
| Fellow subsidiaries | GE India Industrial Private Limited |
| | GE Intelligent Platforms Private Limited |
| | GE Capital Services India |
| | Dresser Valve India Private Limited |
| | GE India Business Services Private Limited |
| | GE Sensing & Inspection Technologies GMBH |
| | Nuovo Pignone S.P.A. |
| | GE India Exports Private Limited |
| | GE International Operations (NIG) Limited |
| | GE Sensing EMLA |
| | GE Oil & Gas Inc |
| | Bentley Nevada, LLC |
| | Dresser International, Inc |
| | Druck Limited |
| | General Electric South Africa (PTY) Ltd |
| | General Electric International, Inc |
| | Bentley do Brasil Ltda |
| | GE Global Sourcing India Private Limited |
- c) *Key managerial personnel*
- | | |
|--|--------------------------|
| | Pramod Kaushik |
| | Champak Kumar Panda |
| | Mukesh Rajnikant Kapadia |
| | Rohit Anand |
| | Umed Amarchand Fildadra |

d) *Transactions with related parties:*

	(Amount in Rs)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Transactions with ultimate holding company		
Purchase of parts	6,060	-
Communication	-	455,226
Reimbursement of expenses	1,224,335	1,184,179
Royalty	4,070,530	2,737,770
Training charges	142,712	275,449
Legal and professional fees	-	47,919
Transactions with fellow subsidiaries		
Purchase of parts		
GE Intelligent Platforms Private Limited	81,602,748	119,835,307
GE India Industrial Private Limited	9,746,093	6,611,026
Dresser Valve India Private Limited	-	1,867,905
Nuovo Pignone S.P.A.	47,897	-
GE Oil & Gas Inc.	198,656	-
Bentley Nevada, LLC	1,709,701	-
Dresser International, INC	79,798	-
Druck Limited	69,942	-
GE India Business Services Private Limited	1,416,875	-
Communication		
GE India Industrial Private Limited	3,441,272	6,078,273
GE Oil & Gas Inc.	230,720	-
Reimbursement of expenses incurred on behalf of the Company		
GE India Industrial Private Limited	29,796,981	9,506,417
GE International Operations (NIG) Limited	-	1,404,163
GE India Business Services Pvt Ltd	41,379	109,716
Reimbursement of expenses incurred by the Company		
General Electric South Africa (PTY) Ltd	124,495	-
Rent		
GE Capital Services India	1,231,896	1,623,036



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Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

36 Provisions:

Set out below is the movement in provision balances in accordance with paragraph 66 and 67 of AS 29 - 'Provisions, Contingent Liabilities and Contingent Assets'

Provision for Liquidated damages

Liquidated damages are deducted by the customers if projects get delayed beyond the stipulated contractual delivery dates. There are 34 projects as on 31 March 2016 (Previous year: 15 projects) which are delayed and hence a provision is made for liquidated damages. An amount of Rs 893,937 (Previous year: Nil) is debited to the statement of profit and loss towards liquidated damages incurred during the year.

Particulars	(Amount in Rs)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Opening balance	49,999,245	22,021,315
Add: Provision made during the year	50,953,516	49,999,245
Less: Provision utilised/reversed during the year	(49,999,245)	(22,021,315)
Closing balance	50,953,516	49,999,245

Provision for warranties

Provision for warranties is made on basis of technical evaluation and management's estimation of the cost that may accrue based on past experience. The warranty provision is expected to be paid within the normal warranty period of two years.

Warranty as shown in Note 28 includes additional cost incurred during the year amounting to Rs 20,765,206 (Previous Year Rs 12,800,214).

Particulars	(Amount in Rs)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Opening balance	32,386,039	14,643,585
Add: Provision made during the year	21,231,538	30,022,700
Less: Provision utilised/reversed during the year	(18,447,609)	(12,280,246)
Closing balance	35,169,968	32,386,038

Provision for foreseeable losses

The Company is expected to incur losses on completion of 3 projects outstanding as on 31 March 2016. A provision has been made to account for the loss expected on these projects.

Particulars	(Amount in Rs)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Opening balance	24,407,455	21,416,644
Add: Provision made during the year	27,143,682	24,407,455
Less: Provision utilised/reversed during the year	(24,407,455)	(21,416,644)
Closing balance	27,143,682	24,407,455

37 Earnings per share

The computation of earnings per share is set out below:

Particulars	(Amount in Rs)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Net profit attributable to equity shareholders	50,981,639	76,594,189
Weighted average number of equity shares outstanding during the year	1,964,922	1,964,922
Earnings per share (basic and diluted)	25.95	38.98

38 Segment reporting

According to Accounting Standard 17 - 'Segment Reporting,' the primary business segment of the Company is manufacturing and trading of terminal automation systems and engineering, erection, commissioning of such systems. The products fall within a single segment and are subject to similar risks and returns. As the Company operates in a single primary segment, disclosure requirements under the said Accounting Standard are not applicable. Further, the Company majorly caters to the domestic market and accordingly there is no reportable secondary segment.



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Advanced Sys-Tek Private Limited
Notes to the financial statements for the year ended 31 March 2016 (continued)

44 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	For the year ended 31 March 2016			For the year ended 31 March 2015		
	Opening Inventory	Closing Inventory	Increase/ (Decrease) in	Opening Inventory	Closing Inventory	Increase/ (Decrease) in Inventory
Manufactured goods						
Unload	-	-	-	5,544,751	-	(5,544,751)
Smart lock	1,064,863	2,752,420	1,687,558	1,781,487	1,064,863	(716,624)
Surge protection module	561,990	667,448	105,458	967,608	561,990	(405,618)
Card reader	1,174,324	1,159,276	(15,049)	758,813	1,174,324	415,511
Integrated circuits	-	-	-	332,795	-	(332,795)
Smart load	2,586,488	3,709,404	1,122,916	-	2,586,488	2,586,488
Smart ground detector	341,108	944,685	603,578	-	341,108	341,108
Others	6,261,492	6,041,280	(220,212)	3,497,799	6,261,492	2,763,693
	11,990,265	15,274,513	3,284,248	12,883,253	11,990,265	(892,988)
Traded goods						
Cables	14,487,471	4,502,663	(9,984,808)	15,117,040	14,487,471	(629,569)
Tank farm system	11,323,216	2,451,263	(8,871,953)	12,348,451	11,323,216	(1,025,235)
PLC system	18,062,463	1,064,828	(16,997,635)	9,544,883	18,062,463	8,517,580
Measuring instruments	232,588	943,814	713,226	4,530,505	232,588	(4,297,917)
Flow meters	11,659,486	1,210,200	(10,449,286)	206,088	11,659,486	11,453,399
Others	70,864,634	58,210,686	(12,653,948)	29,613,075	70,864,634	41,251,559
	126,629,859	68,385,455	(58,244,404)	71,260,042	126,629,859	55,269,817
Work-in-progress						
Integrated circuits	1,723,841	3,066,346	1,342,505	4,045,480	1,723,841	(2,321,640)
Electronic devices	1,836,195	4,206,393	2,370,198	995,938	1,836,195	840,257
Transformer	264,708	153,854	(110,854)	912,882	264,708	(648,174)
Printed circuit boards	284,752	591,685	306,933	696,725	284,752	(411,973)
Others	7,157,878	3,726,416	(3,431,462)	5,651,771	7,157,878	1,506,107
	11,267,373	11,744,693	477,320	12,302,796	11,267,373	(1,035,423)
Total	149,887,497	95,404,661	(54,482,836)	96,546,091	149,887,497	53,341,406

45 Consequent to the requirements of section 135 of the Companies Act, 2013, the Company has not made contribution towards corporate social responsibility as the Company has incurred average net losses in the previous three years.

46 Previous year's figures have been regrouped / reclassified, wherever necessary, to conform to current year's classification, as detailed below:

Particulars	As at 31 March 2015
Reclassification of interest on finance lease from employee benefits expense to finance costs	717,691
Reclassification of freight outwards to miscellaneous expenses	5,626
Reclassification of interest on dues to MSMED from trade payables to other current liabilities	97,785
Reclassification of interest on dues to MSMED from other expenses to finance costs	97,785

for B. M. & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022


Rohit Alexander
Partner
Membership number: 222515

Place: Bangalore
Date: 29 SEP 2016

for and on behalf of Board of Directors of
Advanced Sys-Tek Private Limited


Vinod A. Fildara
Director
DIN: 00049036

Place: Vadodra
Date: 26 SEP 2016


Amit Kumar Sanghvi
Director
DIN: 07584349

Place: Vadodra
Date: 26 SEP 2016

ATTESTED


B. M. BHATT
NOTARY
26/09/16

