Kanu Doshi Associates LLP
Chartered Accountants

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Independent Auditor's Report

To,
The Members of **CIGNEX DATAMATICS TECHNOLOGIES LIMITED**

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

We have audited accompanying standalone Ind AS financial statements of **CIGNEX DATAMATICS TECHNOLOGIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss (including other comprehensive income) and Cash Flow Statement and the statement for changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

KANU DOSHI ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

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

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

Opinion

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

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note No. 29 (b) of the Standalone IND AS Financial Statements, which state that, based on negative networth and after analysing future outcome from the investment made in Subsidiary (Scalsys Technology Pvt. Ltd.), the Company has provided for impairment of Investment in Subsidiary of Rs.6,13,565/-. However Loan advanced to subsidiary amounting to Rs.16,68,252/- as on balance sheet date is good for recovery.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Standalone Ind AS financial statements are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006. For the year ended March 31, 2017 and March 31, 2016 on which we have expressed an unmodified opinion vide audit report dated May 21, 2017 and May 18, 2016 respectively on those Standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Report on other Legal and Regulatory Requirements

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

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

KANU DOSHI ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Standalone Ind As financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone Ind As financial statements have been kept by the Company so far as appears from our examination of those books.

c) The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the statement of changes in equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Standalone Ind As financial statements.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors, as on March 31, 2018 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

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".

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

   i. The Company does not have any pending litigations that will affect the financial position of the Company.

   ii. The Company did not have any material foreseeable losses on long-Term contracts including derivatives contracts.

   iii. There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company during the year ended March 31, 2018.

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration Number: 104746W/W100096

Arati

KANU DOSHI ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Arati Parmar
Partner
Membership No: 102888

Place: Mumbai
Date: May 22, 2018

ANNEXURE A TO THE AUDITOR'S REPORT

Referred to in paragraph 1 of '**Report on other Legal and Regulatory Requirements'** in our Report of even date on the accounts of CIGNEX DATAMATICS TECHNOLOGIES LIMITED for the year ended March 31, 2018

i. (a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets other than assets located at premises other than company's premises.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.

(c) The Company does not have immovable properties of freehold or leasehold land and building and hence reporting under clause (i) (c) of the CARO 2016 is not applicable.

ii. The Company's nature of operations does not require it to hold inventories. Consequently, clause 3(ii) of the order is not applicable.

iii. As informed to us, the Company has not granted loans, secured or unsecured, to companies, firms, and limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Hence sub clauses (a) & (b) of clause 3(iii) of the order are not applicable to the Company.

iv. According to information and explanation provided to us in respect of loans, investments, guarantees and securities, the company has complied with the provisions of Section 185 and 186 of the companies Act, 2013.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause (v) is not applicable.

vi. The Central Government has not prescribed the maintenance of cost records under sub-Section (1) of Section 148 of the Companies Act, for any of the products of the Company.

vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess, Goods & Service Tax and any other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, service tax,duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute.

KANU DOSHI ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

viii. According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of dues to financial institution, bank or debenture holders as at the Balance Sheet date.

ix. The company has not raised any moneys by way of public issue/ further offer including debt instruments. The moneys raised on Term loans have been applied for the purpose for which it was raised.

x. To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no fraud on the company by its officers or employeesi has been noticed or reported during the year.

xi. The managerial remuneration paid by the company is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.

xiii. The Company has complied with the provisions of section 177 and 188 of Companies Act, 2013 in respect of transactions with the related parties and has disclosed the details in the Financial Statements in accordance with the accounting standards.

xiv. The company has not made any preferential allotment or private placement of shares or has fully or partly convertible debentures during the year under review.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. According to the information and explanations given to us the company is not required to obtain registration under section 45 IA of the Reserve Bank of India Act, 1934 and therefore clause xvi is not applicable.

For Kanu Doshi Associates LLP
Chartered Accountants
Firm registration No: 104746W/W100096

KANU DOSHI ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS *

Arati

Arati Parmar
Partner
Membership No: 102888

Place: Mumbai
Date: May 22, 2018

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 **CIGNEX DATAMATICS TECHNOLOGIES LIMITED** ("the Company") as of 31st March, 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

KANU DOSHI ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Kanu Doshi Associates LLP
Chartered Accountants
Firm registration No: 104746W/W100096

Arati

Arati Parmar
Partner
Membership No: 102888

KANU DOSHI ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: May 22, 2018

CIGNEX Datamatics Technologies Limited
Financial statements as at March 31, 2018

Standalone balance sheet as at March 31, 2018

(Amount in Rs.)

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	1	12,149,360	14,406,238	20,722,153
Other intangible assets	2	126,992	434,709	1,400,283
Financial assets				
i. Investments	3	15,000,000	15,613,565	-
ii. Loans	4	1,668,252	1,868,252	-
iii. Other financial assets	5	7,238,991	14,853,245	11,048,962
Deferred tax assets	27	12,678,022	13,992,169	7,738,957
Non-current tax assets	6	-	18,243,970	26,617,002
Other non-current assets	7	53,601	488,737	901,271
Total non-current assets		**48,915,218**	**79,900,885**	**68,428,628**
Current assets				
Financial assets				
i. Investments	8	75,553,987	16,423,095	50,595,114
ii. Trade receivables	9	208,211,850	212,627,841	160,475,800
iii. Cash and cash equivalents	10	7,005,481	14,947,766	21,052,499
iv. Loans (Short Term)	11	12,674,493	3,028,118	5,158,707
v. Other financial assets	12	9,814,558	9,235,398	3,512,050
Other current assets	13	16,935,432	7,826,044	9,065,276
		330,195,800	**264,088,262**	**249,859,446**
Total current assets		**330,195,800**	**264,088,262**	**249,859,446**
Total assets		**379,111,018**	**343,989,147**	**318,288,074**
EQUITY AND LIABILITIES	14			
Equity				
Equity share capital	14A	500,000	500,000	500,000
Other equity				
Reserves and surplus	14B	299,782,569	256,182,940	243,257,660
Equity attributable to owners of CIGNEX Datamatics Technologies Limited		300,282,569	256,682,940	243,757,660
Non-controlling interests				-
Total equity		**300,282,569**	**256,682,940**	**243,757,660**
LIABILITIES				
Non-current liabilities				
Employee benefit obligations	15	25,218,148	15,873,374	14,018,755
Total non-current liabilities		**25,218,148**	**15,873,374**	**14,018,755**
Current liabilities				
Financial liabilities				
i. Borrowings	16	-	42,801,000	33,125,000
ii. Trade payables	17	36,834,698	20,133,990	18,247,870
iii. Other financial liabilities	18	2,780,353	24,464	2,483
Employee benefit obligations	19	2,145,181	1,623,886	1,545,735
Current tax liabilities	20	634,762		-
Other current liabilities	21	11,215,307	6,849,494	7,590,571
		53,610,301	**71,432,833**	**60,511,659**
Total current liabilities		**53,610,301**	**71,432,833**	**60,511,659**
Total liabilities		**78,828,449**	**87,306,207**	**74,530,414**
Total equity and liabilities		**379,111,018**	**343,989,147**	**318,288,074**

The accompanying notes forming an integral part of the financial statements — 1 - 45

As per our attached report of even date
For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No. 104746W/W100096

Arati Parmar
Partner
Membership No. 102888

KANU DOSHI ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

Place : Mumbai
Date : May 22, 2018

For and on behalf of the Board

Vidur V. Bhogilal	Divya Kumat
Director	Director
DIN 00008036	DIN 03592056

Place : Mumbai
Date : May 22, 2018

CIGNEX DATAMATICS TECHNOLOGIES LTD. * AHMEDABAD

CIGNEX Datamatics Technologies Limited
Financial statements as at March 31, 2018

Standalone statement of profit and loss for the year ended March 31, 2018 (Amount in Rs.)

Particulars	Note	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations	22	654,169,774	534,186,017
Other income	23	20,771,484	5,553,475
Total income		**674,941,257**	**539,739,492**
Expenses			
Purchase of Software License		1,703,275	3,214,325
Employee benefit expenses	24	472,100,256	390,952,060
Depreciation and amortisation expense		6,888,366	8,903,417
Net finance costs	25	1,552,565	3,538,494
Other expenses	26	125,452,046	120,775,530
Total expenses		**607,696,508**	**527,383,826**
Profit before exceptional items and tax		**67,244,749**	**12,355,667**
Profit before tax		**67,244,749**	**12,355,667**
Income tax expense			
- Current tax	27(a)	18,245,671	13,185,622
- Deferred tax	27(a)	1,653,909	(5,779,850)
Total tax expense/(credit)		**19,899,580**	**7,405,772**
Profit for the year	A	**47,345,170**	**4,949,895**
Other Comprehensive Income			
A. (i) Items that will be reclassified to profit or loss		-	-
B. (i) Items that will not be reclassified to profit or loss		(1,027,618)	(1,431,702)
(ii) Income tax relating to items that will not be reclassified to profit or loss		339,761	473,364
Total Other Comprehensive Income for the year	B	(687,857)	(958,338)
Total Comprehensive Income for the year	(A+B)	**46,657,313**	**3,991,556**
Earning per equity share (Face Value of Rs. 10/- each)			
(1) Basic		**933.15**	**79.83**
(2) Diluted		**933.15**	**79.83**
The accompanying notes forming an integral part of the financial statements	1 - 45		

As per our attached report of even date
For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No. 104746W/W100096

Arati Parmar
Partner
Membership No. 102888

KANU DOSHI ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Place : Mumbai
Date : May 22, 2018

For and on behalf of the Board

Vidur V. Bhogilal
Director
DIN 00008036

Divya Kumat
Director
DIN 03592056

Place : Mumbai
Date : May 22, 2018

CIGNEX DATAMATICS TECHNOLOGIES LTD. * AHMEDABAD

CIGNEX Datamatics Technologies Limited
Financial statements as at March 31, 2018

Standalone statement of changes in equity for the year ended March 31, 2018

A. Equity share capital

Particulars	Amount
As at April 01, 2016	500,000
Changes in equity share capital	-
As at March 31, 2017	500,000
Changes in equity share capital	-
As at March 31, 2018	500,000

B. Other equity

(Amount in Rs.)

Particulars	Attributable to owners of CIGNEX Datamatics Technologies Limited		Total
	Reserves and surplus	Cash flow Hedging reserve	
	Retained earnings		
As at April 01, 2016	236,292,630	4,187,901	**240,480,531**
Profit for the year	2,777,129	-	**2,777,129**
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
As at March 31, 2017	239,069,759	4,187,901	**243,257,660**
- Gain / (Loss) on cash flow hedging derivatives	-	8,933,724	**8,933,724**
Profit for the year 2017	3,991,556	-	**3,991,556**
Other comprehensive income			-
Total comprehensive income for the year	243,061,315	13,121,625	**256,182,940**
- Gain / (Loss) on cash flow hedging derivatives	-	(3,057,684)	**(3,057,684)**
Profit for the year 2017	47,684,931	-	**47,684,931**
Exchange Fluctuation on Conversion	-	-	-
As at March 31, 2018	290,746,246	10,063,941	**300,810,187**

As per our attached report of even date

For and on behalf of the Board

For Kanu Doshi Associates LLP
Chartered Accountants

Firm Registration No. 104746W/W100096

Arati Parmar
Partner
Membership No. 102888

KANU DOSHI ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

Vidur V. Bhogilal
Director
DIN 00008036

Divya Kumat
Director
DIN 03592056

CIGNEX DATAMATICS TECHNOLOGIES LTD. AHMEDABAD

Place : Mumbai
Date : May 22, 2018

Place : Mumbai
Date : May 22, 2018

CIGNEX DATAMATICS TECHNOLOGIES LIMITED
Financial statements as at March 31, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Amount in Rs.)

PARTICULARS	Year ended March 31, 2018	Year ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	**66,217,146**	**12,355,667**
Adjusted For:		
Depreciation and Amortization	6,888,365	8,903,417
Provision for Retirement Benefits	9,866,069	1,932,770
provision for Doubtful Debts	-	17,967,716
Profit on Sale of Property, Plant and Equipment	(385,100)	(174,200)
Dividend Income	-	(514,676)
Finance Cost	1,552,565	3,538,494
Interest Income from Fixed Deposits and Others	(2,608,053)	(654,514)
Profit on Sale of Investments	(3,930,892)	(2,503,233)
Operating Profit before Working Capital Changes	**77,600,101**	**40,851,440**
Adjusted For:		
Decrease in Trade Receivable	4,415,991	(70,119,757)
Increase in Short Term Loans and Advances	(9,646,375)	2,130,589
Decrease / (Increase) in Other Current Assets	(9,109,388)	1,239,232
Decrease / (Increase) in Long Term Loans and Advances	200,000	(1,868,252)
Decrease / (Increase) in Other Non Current Assets	435,136	412,534
Decrease / (Increase) in Other Financial Assets	3,977,410	(593,907)
(Decrease) / Increase in Trade Payables	16,700,703	1,886,120
(Decrease) / Increase in Short Term Borrowings	(42,801,000)	9,676,000
(Decrease) / Increase in Other Financial Liabilities	2,755,889	21,981
(Decrease) / Increase in Other Current Liabilities	4,365,813	(741,078)
Cash Used in Operations	**48,894,287**	(17,105,099)
Taxes Paid (Net of Refund Received)	(633,046)	**6,244,290**
Net Cash Used in Operating Activities (A)	**49,527,333**	**(23,349,389)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale / (Purchase) of Fixed Assets	(4,246,383)	(2,413,302)
Sale / (Purchase) of Intangible Assets	307,717	965,574
Sale/(Purchase) of Investments	(58,517,327)	18,558,454
Interest on Fixed Deposit & Others	2,608,053	654,514
Profit on Sale of Investments	3,930,892	2,503,233
Net Cash from Investing Activities (B)	**(55,917,053)**	**20,268,473**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	(1,552,565)	(3,538,494)
(Decrease) / Increase in Short Term Borrowings	-	-
Dividend Income	-	514,676
Net Cash from Financing Activities (C)	(1,552,565)	(3,023,818)
Net Increase / (decrease) in Cash and Cash Equivalent during the year (A+B+C)	**(7,942,285)**	**(6,104,733)**
Cash and Cash Equivalent at the beginning of the year	14,947,766	21,052,499
Cash and Cash Equivalent at the end of the year	**7,005,481**	**14,947,766**

As per our attached report of even date
For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No. 104746W/W100096

Arati Parmar
Partner
Membership No. 102888

Place : Mumbai
Date : May 22, 2018

For and on behalf of the Board

Vidur V. Bhogilal
Director
DIN 00008036

Divya Kumat
Director
DIN 03592056

Place : Mumbai
Date : May 22, 2018

Note 1: Significant accounting policies

A) Basis of preparation

i) Compliance with Ind AS

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the company under Ind AS. Refer note 36 for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows.

First-time adoption: In accordance with Ind AS 101 on First-time adoption of Indian Accounting Standards, the Company's first Ind AS financial statements include, three balance sheets viz. the opening balance sheet as at 1st April, 2016 and balance sheets as at 31st March, 2017 and 2018 and two statements each of profit and loss, cash flows and changes in equity for the years ended 31st March, 2017 and 2018 together with related notes. The same accounting policies have been used for all periods presented.

ii) Historical cost convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

(a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;

(b) Defined benefit plans where plan assets are measured at fair value.

(c) Investments are measured at fair value.* share-based payments

iii) Current and Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation 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.

B) Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

C) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(I) Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

(a) those to be

(b) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(b) For investments in debt instruments, this will depend on the business model in which the investment is held.

(c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

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CHARTERED ACCOUNTANTS

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Note 1: Significant accounting policies (continued)

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive incomeand there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(iv) Derecognition of financial assets

A financial asset is derecognised only when -

(a) The Company has transferred the rights to receive cash flows from the financial asset or

(b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(II) Financial Liabilities

(i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs(in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

(ii) Derecognition

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

D) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

E) Segment Report

(i) The company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisaiton and mangagement structure. The operating segement are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

(ii) The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

F) Cash and cash

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.

KANU DOSHI ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

CIGNEX DATAMATICS TECHNOLOGIES LTD. AHMEDABAD

Note 1: Significant accounting policies (continued)

G) Income tax, deferred tax and dividend distribution tax

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

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

(i) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(iii) Dividend distribution tax

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

H) Property, plant and equipment

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

(i) Freehold land is carried at historical cost including expenditure that is directly attributable to the acquisition of the land.

(ii) All other items of property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

(iii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(iv) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for it intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.

(v) Depreciation methods, estimated useful lives and residual value

(a) Fixed assets are stated at cost less accumulated depreciation.

(b) Depreciation is provided on a pro rata basis on the straight-line method over the estimated useful lives of the assets which is as prescribed under Schedule II to the Companies Act, 2013. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed atleast at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

(c) Leasehold Land is depreciated over the period of the Lease.

(vi) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.

(vii) The residual values are not more than 5% of the original cost of the asset.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income as applicable.

I) Investment Property

Property that is held for Capital appreciation and which is not occupied by the Company, is classified by Investing property. Investment property is measured at cost including related transaction cost and where applicable borrowing cost. Investment properties are depreciated at the same rate applicable for class of asset under Property,Plant and Equipment.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

KANU DOSHI ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

CIGNEX DATAMATICS TECHNOLOGIES LTD. AHMEDABAD

Note 1: Significant accounting policies (continued)

J) Intangible assets

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the intangible assets.

(i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.

(ii) Cost of technical know-how is amortised over a period of six years.

(iii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 5 years on straight-line method.

K) Leases

(i) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

L) Revenue recognition

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

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(I)Revenue from services – consulting

i) Timing of recognition: Revenue from consulting services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method).

ii) Measurement of revenue: Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

(II) Other Income

(i) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

M) Employee Benefit

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The group operates the following post-employment schemes:

Gratuity and Leave encashment which are defined benefits are accrued based on actuarial valuation working provided by Actuarial valuers .

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by Acturial valuers. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(b) Defined Contribution plan:

Contribution payable to recognised provident fund which is defined contribution scheme is charged to Statement of Profit & Loss. The company has no further obligation to the plan beyond its contribution.

KANU DOSHI ASSOCIATES LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

CIGNEX DATAMATICS TECHNOLOGIES LTD. AHMEDABAD ★

Note 1: Significant accounting policies (continued)

N) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

O) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

P) Borrowing Cost

(i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

(ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Q) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

ii) Diluted earnings per share

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

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

R) Impairment of Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

S) Provisions, contingent liabilities and contingent assets

(i) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

(ii) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(iii) Contingent Assets: Contingent Assets are disclosed, where an inflow of economic benefits is probable.

KANU DOSHI ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

CIGNEX DATAMATICS TECHNOLOGIES LTD. AHMEDABAD

Note 1: Significant accounting policies (continued)

T) **Investments**

On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for those mutual fund for which the Company has elected to present the fair value changes in the Statement of Profit and Loss.

U) **Trade receivables**

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

V) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

W) **Operating Cycle**

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

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CIGNEX DATAMATICS TECHNOLOGIES LTD. AHMEDABAD

CIGNEX Datamatics Technologies Limited
Financial statements as at March 31, 2018

1 Note 1 - Property, plant and equipment

(Amount in Rs.)

Particulars	FURNITURE & FIXTURES	VEHICLES	OFFICE EQUIPMENTS	COMPUTERS + SERVER	ELECTRICAL FITTINGS	Total
Gross block						
As at April 01, 2016	12,125,016	535,547	13,587,908	42,234,093	6,662,361	75,144,925
Additions	67,106	-	157,128	1,332,918	-	1,557,152
Disposals	-	-	-	(3,807,962)	-	(3,807,962)
As at March 31, 2017	12,192,122	535,547	13,745,036	39,759,049	6,662,361	72,894,115
Additions	604,791	-	48,609	3,614,627	17,945	4,285,972
Disposals	-	-	-	(22,000)	-	(22,000)
As at March 31, 2018	12,796,913	535,547	13,793,645	43,351,676	6,680,306	77,158,087

Particulars	FURNITURE & FIXTURES	VEHICLES	OFFICE EQUIPMENTS	COMPUTERS + SERVER	ELECTRICAL FITTINGS	Total
Accumulated depreciation						
As at April 01, 2016	5,894,497	109,367	9,720,151	35,824,287	2,874,470	54,422,772
Depreciation charge during the year	1,535,422	53,554	1,631,759	3,749,524	902,808	7,873,067
Disposals	-	-	-	(3,807,962)	-	(3,807,962)
As at March 31, 2017	7,429,919	162,921	11,351,910	35,765,849	3,777,278	58,487,877
Depreciation charge during the year	1,248,931	53,554	1,039,716	3,454,276	724,373	6,520,850
As at March 31, 2018	8,678,850	216,475	12,391,626	39,220,125	4,501,651	65,008,727
Net carrying amount as at March 31, 2018	4,118,063	319,072	1,402,019	4,131,551	2,178,655	12,149,360
Net carrying amount as at March 31, 2017	4,762,203	372,626	2,393,126	3,993,200	2,885,083	14,406,238
Net carrying amount as at April 01, 2016	6,230,519	426,180	3,867,757	6,409,806	3,787,891	20,722,153

KANU DOSHI ASSOCIATES LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

CIGNEX DATAMATICS TECHNOLOGIES LTD. ★ AHMEDABAD

CIGNEX Datamatics Technologies Limited
Financial statements as at March 31, 2018

2 **Note 2 - Intangible assets** (Amount in Rs.)

Particulars	Computer Softwares	Total
Gross block		
As at April 01, 2016	**10,722,504**	**10,722,504**
Additions	64,776	64,776
As at March 31, 2017	**10,787,280**	**10,787,280**
Additions	59,799	59,799
As at March 31, 2018	**10,847,079**	**10,847,079**

Particulars	Computer Softwares	Total
Accumulated amortisation and impairment		
As at April 01, 2016	**9,322,221**	**9,322,221**
Amortisation charge during the year	1,030,350	1,030,350
As at March 31, 2017	**10,352,571**	**10,352,571**
Amortisation charge during the year	367,516	367,516
As at March 31, 2018	**10,720,087**	**10,720,087**

Net carrying amount as at March 31, 2018	**126,992**	**126,992**
Net carrying amount as at March 31, 2017	**434,709**	**434,709**
Net carrying amount as at April 01, 2016	**1,400,283**	**1,400,283**

KANU DOSHI ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

CIGNEX DATAMATICS TECHNOLOGIES LTD. AHMEDABAD

CIGNEX Datamatics Technologies Limited
Financial statements as at March 31, 2018

3 **Note 3 - Non-current investments**

(Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unquoted (Trade) (At cost)			
Investment in Equity Shares			
- In Subsidiary Companies			
7370 (NIL) Equity Shares of ` 10/- each of Attune Infocom Pvt Ltd (Fully Paid) (Extent of holding 51%)	15,000,000	15,000,000	-
10410 (NIL) Equity Shares of ` 10/- each of Scalsys Technologies Pvt Ltd (Fully Paid) (Extent of holding 51%)	613,565	613,565	-
Provision for impairment in value of investment	(613,565)	-	-
Total	15,000,000	15,613,565	-

4 **Note 4 - Long term loans and advances**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Loan given to Scalsys Technologies Pvt. Ltd.	1,668,252	1,868,252	-
Total	1,668,252	1,868,252	-

5 **Note 5 - Other non-current financial assets**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Security Deposit	6,989,608	10,967,018	10,373,111
Fair Value of Outstanding Contract	249,383	3,886,227	675,851
Total	7,238,991	14,853,245	11,048,962

6 **Note 6 - Non-current tax assets**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance Tax net of provision for taxation	-	18,243,970	26,617,002
Total	-	18,243,970	26,617,002

7 **Note 7 - Other non-current assets**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Prepaid Expense Long Term	-	438,679	855,278
Fixed Deposit Accounts with maturity greater than 12 months	53,601	50,058	45,993
Total	53,601	488,737	901,271

8 **Note 8 - Current investments**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Investment in mutual funds			
Quoted - Non Trade			
280,636 (P.Y. 280,636) Units of Birla Sun Life Short Term Opport Fund - Growth (Face Value of ` 10 each) (NAV ` 28.8553 P.Y. ` 21.1059)	8,097,846	5,923,095	9,454,124
15976.365 (P.Y. 2656.381) Units of Reliance Liquid fund - TP - Growth (Face Value of `1000 each) (NAV ` 4222.2458 P.Y. ` 3952.747)	67,456,140	10,500,000	22,289,832
NIL (F.Y. 1516 878012) Units of HDFC Floating Rate Income Fund - STF-WP-DDR (Face Value of - 10 each) (NAV NIL F.Y. 1516 10.0809)	-	-	8,851,158
NIL (F.Y. 1516 3896) Units of Taurus Short Term Income Fund Direct Plan - Growth (Face Value of - 1000 each) (NAV NIL F.Y. 1516 2,566.9073)	-	-	10,000,000
Total	75,553,987	16,423,095	50,595,114

KANU DOSHI ASSOCIATES LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

CIGNEX DATAMATICS TECHNOLOGIES LTD. ★ AHMEDABAD

9 **Note 9 - Trade receivables**

(Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Trade receivables			
Unsecured			
Considered Good	166,055,050	212,627,841	139,197,993
Considered doubtful	42,156,800	17,967,716	21,277,807
	208,211,850	**230,595,557**	**160,475,800**
Less :- Allowance for Expected credit loss	-	17,967,716	-
Total	208,211,850	**212,627,841**	**160,475,800**

10 **Note 10 - Cash and cash equivalents**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Bank balances	6,909,233	14,597,422	20,598,314
Cash on hand	96,248	350,344	454,185
Total	7,005,481	**14,947,766**	**21,052,499**

11 **Note 11 - Short term loans and advances**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Employee Loans and Adv.	1,294,653	2,166,699	3,631,276
Other Loans and advances (Dr Zakir)	11,378,740	-	-
Refund Receivable of CST	-	136,405	136,405
Cenvat Credit	1,100	725,014	1,391,026
Total	12,674,493	**3,028,118**	**5,158,707**

12 **Note 12 - Other current financial assets**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Fair Value of Foreign exchange contract	9,814,558	9,235,398	3,512,050
Total	9,814,558	**9,235,398**	**3,512,050**

13 **Note 13 - Other current assets**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Prepaid expenses	5,658,980	3,413,548	2,471,412
Unbilled Revenue	11,276,452	4,412,495	6,593,864
Total	16,935,432	**7,826,043**	**9,065,276**

KANU DOSHI ASSOCIATES LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

CIGNEX DATAMATICS TECHNOLOGIES LTD. AHMEDABAD

14 **Note 14 - Share capital and other equity**

14 ***14(a) - Equity share capital***

(i) Authorised share capital

(Amount in Rs.)

Particulars	Number of shares	Amount
As at April 01, 2016	50,000	500,000
Increase during the year	-	-
As at March 31, 2017	50,000	500,000
Increase during the year	-	-
As at March 31, 2018	50,000	500,000

(ii) Issued, Subscribed and Fully Paid Up Shares

Particulars	Number of shares	Amount
As at March 31, 2016	50,000	500,000
Increase during the year	-	-
As at March 31, 2017	50,000	500,000
Increase during the year	-	-
As at March 31, 2018	50,000	500,000

(iii) Movements in equity share capital

Particulars	Number of shares	Amount
As at April 01, 2016	50,000	500,000
Issued during the year	-	-
As at March 31, 2017	50,000	500,000
Issued during the year	-	-
As at March 31, 2018	50,000	500,000

(iv) Shares of the company held by holding company

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
CIGNEX Datamatics Inc (Michigan)	49,950	49,950	49,950

(v) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	% Holding	Number of shares	% Holding	Number of shares	% Holding
CIGNEX Datamatics Inc (Michigan)	49,950	99.99%	49,950	99.99%	49,950	99.99%

14(b) - Reserves and surplus

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Retained earnings	256,182,940	243,257,660	236,292,630
Profit for the year	46,657,313	3,991,556	2,777,129
Hedging Reserve	(3,057,684)	8,933,724	4,187,901
Total	**299,782,569**	256,182,940	**243,257,660**

(ii) Retained earnings

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening balance	243,061,315	**239,069,759**
Net profit for the period	47,684,931	3,991,556
Closing balance	290,746,246	**243,061,315**

KANU DOSHI ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

CIGNEX DATAMATICS TECHNOLOGIES LTD AHMEDABAD

CIGNEX Datamatics Technologies Limited
Financial statements as at March 31, 2018

15 **Note 15 - Long term employee benefit obligations** (Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Gratuity	15,812,013	10,557,396	8,914,536
Leave Encashment	9,406,135	5,315,978	5,104,219
Total	**25,218,148**	**15,873,374**	**14,018,755**

16 **Note 16 - Short term borrowings**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
From Bank			
Secured Loans	-	42,801,000	33,125,000
(Working Capital loan from Citibank N.A. is secured by way of Fixed Asset and book debt)			
Total	-	**42,801,000**	**33,125,000**

17 **Note 17 - Trade payables**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Trade payables (Note :- 42)	36,834,698	20,133,990	9,803,768
Employee Liability	-	-	8,444,102
Total	**36,834,698**	**20,133,990**	**18,247,870**

18 **Note 18 - Other current financial liabilities**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Accrued interest	-	4,071	2,483
Accrued Exp.	2,636,890	-	-
Credit Card Dues	143,463	20,393	-
Total	**2,780,353**	**24,464**	**2,483**

19 **Note 19 - Short term employee benefit obligations**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Gratuity	478,896	931,345	800,549
Leave Encashment	1,666,285	692,541	745,186
Total	**2,145,181**	**1,623,886**	**1,545,735**

20 **Note 20 - Current tax liabilities**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance Tax net of provision for taxation	634,762	-	-
Total	**634,762**	-	-

21 **Note 21 - Other current liabilities**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Statutory dues	11,129,105	6,763,292	6,520,960
Deferred Revenue	86,202	86,202	1,069,611
Total	**11,215,307**	**6,849,494**	**7,590,571**

KANU DOSHI ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

CIGNEX DATAMATICS TECHNOLOGIES LTD. AHMEDABAD

CIGNEX Datamatics Technologies Limited
Financial statements as at March 31, 2018

22 **Note 22 - Revenue from operations**

(Amount in Rs.)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from Operations	654,169,774	534,186,017
Total	**654,169,774**	**534,186,017**

23 **Note 23 - Other income**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest received	2,608,053	654,514
Dividend on share investment	-	514,676
Profit on sale of investments	3,930,892	2,503,233
Miscellaneous receipts	13,847,440	1,706,851
Profit on Sale of Fixed Assets	385,100	174,200
Total	**20,771,484**	**5,553,475**

24 **Note 24 - Employee benefit expenses**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Basic Salary, Wages & Allowances	469,531,806	388,055,480
Staff Welfare	2,568,451	2,896,580
Total	**472,100,256**	**390,952,060**

25 **Note 25 - Net finance costs**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest on loan to banks	564,472	316,294
Guarantee commission	960,000	964,800
Interest to others	28,092	2,257,400
Total	**1,552,565**	**3,538,494**

26 **Note 26 - Other expenses**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Legal & Professional expenses	3,918,097	4,487,910
Travelling expenses	14,903,087	25,527,774
Technical fees	50,497,750	12,475,310
Rent	17,178,264	27,273,674
Communication charges	5,875,234	7,141,366
Miscellaneous expenses	-	216,317
Recruitment charges	16,951,004	8,455,123
Audit fees	423,379	201,096
Office Exp.	982,662	1,102,395
Postage Exp.	363,747	289,382
Utilities Expenses	5,355,272	7,001,160
Advertisement and Sales Promotion Expenses	1,654	152,069
Printing & Stationery	376,378	331,206
Subscription expenses	1,184,444	959,365
Bank charges	100,540	92,606
Rates & Taxes	377,983	1,381,940
Repairs & Maintenance expenses	4,344,379	4,265,036
Provision for dimunition in value of subsidiary	613,565	-
Bad debts	-	17,967,716
Insurance	2,004,606	1,454,085
Total	**125,452,046**	**120,775,530**

KANU DOSHI ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

CIGNEX DATAMATICS TECHNOLOGIES LTD. AHMEDABAD

Cignex Datamatics Technologies Limited
Financial statements as at and for the year ended March 31, 2018

Note 27 - Taxation

(Amount in Rs.)

Particulars	Net balance as at 1 April 2017	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31 March 2018
Deferred Tax Assets/(Liabilities)				
Property, plant and equipment/Investment Property/Other Intangible Assets	(1,100,558)	(858,722)	-	(1,959,280)
Fair Value through Profit & Loss	-	-	-	-
Expenses allowable under income tax on payment basis	12,891,613	(2,172,870)	-	10,718,743
	13,992,171	(1,314,148)	-	12,678,023

Particulars	Net balance as at 1 April 2016	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31 March 2017
Deferred Tax Liabilities/(Assets)				
Property, plant and equipment/Investment Property/Other Intangible Assets	(45,142)	1,145,700	-	1,100,558
Fair Value through P&L		-	-	-
Expenses allowable under income tax on payment basis	7,784,099	5,107,514	-	12,891,613
	7,738,957	6,253,214	-	13,992,171

Income tax

The major components of income tax expense for the year ended 31 March, 2018

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Current tax	18,245,671	13,185,622
Deferred Tax	1,653,909	(5,779,850)
	19,899,580	7,405,772

Reconciliation of tax expenses and accounting profit multiplied by domestic tax rate

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit before income tax expenses	67,244,749	12,355,667
Tax at the Indian tax rate @ 33.063 %	22,233,132	4,085,154
Add: Item giving rise to difference in tax		
Permanent difference of income as per books vs income as per income tax	637,577	(1,618,717)
Timing difference of depreciation on Property Plant & Equipment	858,722	(1,145,700)
Timing difference of Gratuity & Leave Eancashment	2,172,870	2,172,870
Expenses allowable under income tax on payment basis	(5,940,666)	-
Others	(62,054)	3,912,165
	19,899,580	7,405,772

KANU DOSHI ASSOCIATES LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

CIGNEX DATAMATICS TECHNOLOGIES LTD. ★ AHMEDABAD

28 **Quantitative Details :**

i) The main activity of the Company is IT Enabled Services and related software services. The production and sale of such services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and certain information as required under paragraphs 3 of part II of Schedule III to the Companies Act, 2013.

ii) **Traded Goods:**

Particulars	Opening Stock		Purchases	
	Qty (Nos)	Value (`)	Qty (Nos)	Value (`)
IT Products & Licenses	-	-	5.00	21,23,275
Previous Year (2016-17)	-	-	13.00	32,14,325
Particulars	**Sales**		**Closing Stock**	
	Qty (Nos)	Value (`)	Qty (Nos)	Value (`)
IT Products & Licenses	5.00	23,80,375	-	-
Previous Year (2016-17)	13.00	40,00,375	-	-

29 (a) In the opinion of the Company, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business. The provision for all known Liabilities and for Depreciation is adequate and not in excess of the amount reasonably necessary.

(b)Based on negative networth and after analysing future outcome from the investment made in Subsidiary (Scalsys Technology Pvt. Ltd.), the Company has provided for impairment of Investment in Subsidiary of Rs.6,13,565/-. However Loan advanced to subsidiary amounting to Rs.16,68,252/- as on balance sheet date is good for recovery.

30 Trade receivables, other receivables, trade payables and loans and advances are subject to confirmations and reconciliations if any.

31 **Employee Benefits**

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below : Amount in `

		Gratuity (Un Funded)	
	Defined Contribution Plan	2017-18	2016-17
I.	**Charge to the Profit and Loss Account based on contributions**		
	Employers Contribution to Provident Fund	27,33,317	28,69,302
		27,33,317	**28,69,302**

(ii) Defined Benefit Plan

(a) Gratuity:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

(b) Leave encashment:

The Company has a policy on leave eancashment which is applicable to all. The expected cost of accumulating leave eancashment is determined based on the policy taken by the company from Acturial Valuation Report which provides information on the obligation of the Company.

The plans of the Company exposes to acturial risks such as Investement Risk, Interest rate risk,salary risk and longitivity risk. These risks may impact the obligation of the Company.

(c) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company's financial statements as at 31 March 2018 and 31 March 2017.

	2017-18		2016-17	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
I) Change in Defined Benefit Obligation				
Present Value of Defined Benefit Obligation as at the beginning of the year	60,08,519	1,14,88,741	58,49,405	97,15,085
Interest Cost	4,36,509	8,34,639	4,38,669	8,67,993
Current Service Cost	38,03,888	37,63,213	2,36,901	35,13,058
Benefits Paid	26,94,925	13,42,970	(33,36,706)	14,31,702
Prior Year Changes	(18,71,421)	(11,38,654)	28,20,250	(40,39,097)
Actuarial (Gains) / Loss			-	
Present Value of Defined Benefit Obligation as at the end of the year	1,10,72,420	1,52,90,909	60,08,519	1,14,88,741
(Refer Note No. 16 and 20)				
II) Changes in Fair Value of Assets				
Fair Value of Plan Asset as at beginning of the year		-		-
Expected return on Plan Assets		-		-
Contributions by the employer		-		-
Benefits Paid		-		-
Actuarial gain/(loss)		-		-
Fair Value of Plan Asset as at end of the year		-		-
III) Amount recognised in the Balance Sheet				
Present value of defined benefit obligation as at end of the year	1,10,72,420	1,52,90,909	60,08,519	1,14,88,741
Fair Value of Plan Assets at the end of the year	-	-	-	-
	1,10,72,420	1,52,90,909	60,08,519	1,14,88,741

(d) Amount for the year ended 31 March, 2018 and 31 March, 2017 recognised in the statement of profit and loss under employee benefit expenses.

	2017-18 Leave Encashment	2017-18 Gratuity	2016-17 Leave Encashment	2016-17 Gratuity
Expenses recognised in Profit and Loss Account				
Current Service Cost	38,03,888	37,63,213	2,36,901	35,13,058
Interest Cost	4,36,509	8,34,639	4,38,669	8,67,993
Prior Year Changes	26,94,925	-	28,20,250	-
Recognised Past Service Cost-Vested	-	3,15,352	-	-
Actuarial Losses / (Gains)	-	-	-	-
Total Expenses/(Income) Recognised in Profit and Loss Account	69,35,322	49,13,204	34,95,820	43,81,051

(e) Amount for the year ended March 31, 2018 and March 31, 2017 recognised in the statement of other comprehensive income.

	2017-18 Leave Encashment	2017-18 Gratuity	2016-17 Leave Encashment	2016-17 Gratuity
Actuarial Gain/Loss recognized				
Actuarial gain for the year -Obligation	-	-	-	-
Actuarial gain for the year - plan assets	-	-	-	-
Total gain for the year	-	-	-	-
Total actuarial (gain)/ loss included in other comprehensive income	-	-	-	-

KARU DOSHI ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

32 Related party disclosures:

(i) As per IND AS 24,the disclosures of Related Parties and transactions during the year as deemed in the Accounting Standard are given below:

A)(i) Holding Company
CIGNEX Datamatics Inc.

A)(ii) Subsidiary Companies
Attune Infocom Pvt. Ltd.

B) Key Managerial Personnel
Divya Kumat
Dr. Lalit Kanodia

C) Relatives of Key Managerial Personnel and Enterpise Owned by Key Managerial Personnel

Datamatics Global Services Ltd.
Datamatics Staffing Services Ltd.
Lumina Datamatics Assessment & Analytics
Lumina Datamatics Ltd.
LDR eRetail Limited
Elevondata Labs Pvt. Ltd.
Datamatics Infotech Ltd.

(ii) Details of transactions with the related parties stated in (i) above :

Nature of Transaction	Refer I (A) (i) & (ii)		Refer I (B)		Refer I (C)	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Sales						
Technical Fees & License Sale	**350,370,910**	**411,886,821**	-	-	**6,154,087**	**4,278,110**
CIGNEX Datamatics Inc.	350,370,910	411,886,821	-	-	-	-
Datamatics Global Service Ltd.	-	-	-	-	3,135,442	2,353,365
Datamatics Infotech Ltd.	-	-	-	-	-	-
Lumina Datamatics Assessment & Analytics	-	-	-	-	2,355,277	426,525
Lumina Datamatics Ltd.	-	-	-	-	663,368	249,945
LDR eRetail Limited	-	-	-	-	-	1,248,275
Purchase of Software License	-	-	-	-	**1,789,200**	**1,687,925**
Datamatics Global Service Ltd.	-	-	-	-	1,789,200	1,687,925
Managerial Remuneration	-	-	-	**2,400,000**	-	-
Vidur Vishnu Bhogilal	-	-	-	2,400,000	-	-
Technical Fees	**9,568,321**	**597,274**			**10,474,538**	**3,275,632**
Datamatics Global Services Ltd.	-	-			10,474,538	3,275,632
Attune Infocom Pvt. Ltd.	9,568,321	597,274			-	-
Corporate Guarantee Fees	-	-	-	-	**960,000**	**960,000**
Datamatics Global Services Ltd.	-	-	-	-	960,000	960,000
Insurance Exp.	-	-	-	-	-	**246,208**
Datamatics Global Services Ltd.	-	-	-	-	-	246,208
Recruitment Exp.	-	-	-	-	-	**37,672**
Datamatics Staffing Services Ltd.	-	-	-	-	-	37,672
Exp. Incurred on behalf of related party					**651,122**	**98,000**
Lumina Datamatics Ltd.					651,122	98,000
Interest Income on loan given	-	**68,252**	-	-	-	-
Scalsys Technologies Pvt. Ltd.	-	68,252	-	-	-	-
Prepaid Expense - Insurance					-	**1,319,560**
Datamatics Global Services Ltd.	-	-	-	-	-	1,319,560
Loans & Advances	**1,668,252**	**1,800,000**	-	-	-	-
Scalsys Technologies Ltd.	1,668,252	1,800,000	-	-	-	-
Investments in Equity Share of Subsidiaries						
Scalsys Technologies Pvt. Ltd.	-	613,565				
Attune Infocom Pvt. Ltd.	15,000,000	15,000,000				
Receivables	**115,165,530**	**169,890,983**	-	-	**3,526,653**	**2,715,267**
CIGNEX Datamatics Inc.	115,165,530	169,890,983	-	-	-	-
Datamatics Infotech Ltd.	-	-	-	-	-	-
Datamatics Global Services Ltd.	-	-	-	-	613,905	228,779
LDR eRetail Limited	-	-			-	93,380
Lumina Datamatics Assessment & Analytics					1,244,496	366,616
Lumina Datamatics Ltd.					-	158,240
Scalsys Technologies Pvt. Ltd.					1,668,252	1,868,252
Payables	**1,328,000**	**371,662**	-	-	**7,802,311**	**4,992,549**
Datamatics Global Services Ltd.	-	-	-	-	7,321,873	4,927,446
Attune Infocom Pvt. Ltd.	1,328,000	371,662	-	-	-	-
Elevondata Labs Pvt. Ltd.			-	-	480,438	65,103

Note:

1) Related parties are identified by the management and relied upon by the Auditors.

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AHMEDABAD

Note no.

33 **FAIR VALUE MEASUREMENTS**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, security deposit, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
There is no significant variations in rate of interest applicable on Non-current borrowings and current borrowing rate. Hence, fair value of these borrowing approximates to their carrying amounts.

There are no assets and liabilities carried that are measured at fair value.

(A) Financial Instruements by category:

PARTICULARS	31st March, 2018		31st March, 2017		1st April, 2016	
	FVPL	Amortised cost	FVPL	Amortised cost	FVPL	Amortised cost
Financial Assets (Non - Current)						
- Investments		15,000,000		15,613,565		-
- Loans		1,668,252		1,868,252		-
- Other financial assets		7,238,991		14,853,245		11,048,962
Financial Assets (Current)						
- Investments	75,553,987		16,423,095		50,595,114	
- Trade Receivables		208,211,850		212,627,841		160,475,800
- Cash and cash equivalents		7,005,481		14,947,766		21,052,499
- Loans		12,674,493		3,028,118		5,158,707
- Other financial assets		9,814,558		9,235,398		3,512,050
TOTAL FINANCIAL ASSETS	75,553,987	261,613,625	16,423,095	272,174,186	50,595,114	201,248,018
Financial liabilities (Current)						
- Borrowings		-		42,801,000		33,125,000
- Trade payables		36,834,698		20,133,990		18,247,870
- Other financial liabilities		2,780,353		24,464		2,483
TOTAL FINANCIAL LIABILITIES	-	39,615,051	-	62,959,454	-	51,375,353

(B) Fair Value Hierarchy:

Financial assets and liabilities measured at fair value - recurring fair value measurements as at 31st March, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVPL					
- Mutual Funds		75,553,987			75,553,987
Derivatives designated as hedges					
- Foreign exchange forward contracts			10,063,941		10,063,941
TOTAL FINANCIAL ASSETS		75,553,987	10,063,941	-	85,617,927

(There are no Financial liabilities measured at Fair value during the year)

Assets and liabilties measured at amortised cost for which fair values are disclosed as at 31st March, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
- Investments		-		15,000,000	15,000,000
- Trade Receivables				208,211,850	208,211,850
- Cash and cash equivalents				7,005,481	7,005,481
- Loans				14,342,745	14,342,745
- Other financial assets				17,053,549	17,053,549
TOTAL FINANCIAL ASSETS		-	-	261,613,624	261,613,624
Financial liabilities					
- Borrowings				-	-
- Trade payables				36,834,698	36,834,698
- Other financial liabilities				2,780,353	2,780,353
TOTAL FINANCIAL LIABILITIES		0	0	39,615,051	39,615,051

Financial assets and liabilities measured at fair value - recurring fair value measurements as at 31st March, 2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVPL					
- Mutual Funds		16,423,095			16,423,095
Derivatives designated as hedges					
- Foreign exchange forward contracts			13,121,625		13,121,625
TOTAL FINANCIAL ASSETS		16,423,095	13,121,625	-	29,544,720

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Assets and liabilties measured at amortised cost for which fair values are disclosed as at 31st March, 2017	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
- Investments		-		15,613,565	15,613,565
- Trade Receivables				212,627,841	212,627,841
- Cash and cash equivalents				14,947,766	14,947,766
- Loans				4,896,370	4,896,370
- Other financial assets				24,088,643	24,088,643
TOTAL FINANCIAL ASSETS				272,174,186	272,174,186
Financial liabilities					
- Borrowings				42,801,000	42,801,000
- Trade payables				20,133,990	20,133,990
- Other financial liabilities				24,464	24,464
TOTAL FINANCIAL LIABILITIES				62,959,454	62,959,454

Financial assets and liabilties measured at fair value - recurring fair value measurements as at 1st April, 2016	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVPL					
- Mutual Funds		50,595,114			50,595,114
Derivatives designated as hedges					
- Foreign exchange forward contracts			4,187,901	-	4,187,901
TOTAL FINANCIAL ASSETS		50,595,114	4,187,901	-	54,783,015

(There are no Financial liabilities measured at Fair value during the year)

Assets and liabilties measured at amortised cost for which fair values are disclosed as at 1st April, 2016	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
- Investments		-		-	-
- Trade Receivables				160,475,800	160,475,800
- Cash and cash equivalents				21,052,499	21,052,499
- Loans				5,158,707	5,158,707
- Other financial assets				14,561,012	14,561,012
TOTAL FINANCIAL ASSETS				201,248,018	201,248,018
Financial liabilities					
- Borrowings				33,125,000	33,125,000
- Trade payables				18,247,870	18,247,870
- Other financial liabilities				2,483	2,483
TOTAL FINANCIAL LIABILITIES				51,375,353	51,375,353

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.
Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the- counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

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34 **FINANCIAL RISK MANAGEMENT**

Risk management framework: The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors is responsible for overseeing the Company's risk assessment and management policies and processes. The Company has exposure to the following risks arising from financial instruments:

- Credit risk,
- Liquidity risk and
- Market risk

(A) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The maximum exposure to credit risk is represented by the total carrying amount of these financial assets in the balance sheet

Particulars	As at 31st March,
Trade Receivables	208,211,850
Loans	14,342,745
Cash and Cash equivalents	7,005,481
Other assets	16,989,033
Other financial assets	17,053,549

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on cash and cash equivalents and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. Investments primarily include investments in mutual funds and long term investments in subsidiaries.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Trade receivables also includes receivables from local sales and from export.

On adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain.

The company's exposure to credit risk for trade receivables is as follows:

Particulars	Gross carrying amount As at 31st March, 2018
1 - 180 days past due *	206,084,053
181 - 365 days past due	2,127,797
More than 365 days past due #	-
TOTAL	208,211,850

* The Company believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour.

The Company based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 180 days past due.

Particulars	For the year ended 31st March, 2018
Balance at the beginning of the year	0
Impairment loss recognised / (reversed)	0
Amount written off	0
Balance at the end of the year	0

(B) Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to manage liquidity is to have sufficient liquidity to meet it's liabilties when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash as at 31 March 2018 anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Comapny believes it has access to financing arrangements which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

The Company's liquidity management process as monitored by management, includes the following:
- Day to Day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Group's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted.

As at 31st March, 2018	Carrying amount	Contractual cash flows	
		Less than six months	Between six months and one
Working capital arragments	-	-	-
Interest accrued but not due on borrowings	-	-	-
Trade Payables	36,834,698	36,834,698	-
TOTAL	36,834,698	36,834,698	-

As at 31st March, 2017	Carrying amount	Contractual cash flows	
		Less than six months	Between six months and one
Working capital arragments	-	-	-
Interest accrued but not due on borrowings	4,071.00	4,071.00	-
Trade Payables	20,133,990	20,133,990	-
Borrowings	42,801,000	42,801,000	
TOTAL	62,939,061	62,939,061	-

As at 1st April, 2016	Carrying amount	Contractual cash flows	
		Less than six months	Between six months and one
Working capital arragments	-	-	-
Interest accrued but not due on borrowings	2,483	2,483	-
Trade Payables	18,247,870	18,247,870	-
Borrowings	33,125,000	33,125,000	
TOTAL	51,375,353	51,375,353	-

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(C) Market Risk:

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Interest rate risk is mitigated by having Fixed interest rate borrowing.

A. Currency risk:

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Exposure to foreign currency risk:

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupees, as at 31st March, 2018, 31st March, 2017 and 1st April, 2016 are as below:

Particulars	Currency	31st March, 2018	31st March, 2017	1st April, 2016
Financial assets				
- Trade Receivable	USD	115,338,395	193,662,704	146,406,792
- Trade Receivable	EUR	-	-	-
Total financial assets		115,338,395	193,662,704	146,406,792
Financial liabilities				
- Borrowings	USD		42,801,000	33,125,000
Total financial liabilities			42,801,000	33,125,000

Exchange rate rate sensitivity analysis:

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31st March, 2018 and 31st March, 2017 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is peformed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Impact of Exchange rate sensitivity on Profit and loss statement as at 31st March, 2018		Impact of Exchange rate sensitivity on Profit and loss statement as at 31st March, 2017	
	Gain / (Loss) on appreciation (5%)	Gain / (Loss) on depreciation (5%)	Gain / (Loss) on appreciation (5%)	Gain / (Loss) on depreciation (5%)
USD	5,766,920	(5,766,920)	7,543,085	(7,543,085)
USD	-	-	-	-
TOTAL	5,766,919.75	(5,766,919.75)	7,543,085.20	(7,543,085.20)

35 **CAPITAL MANAGEMENT**

(A) Risk Management

The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. Management also monitors the return on equity. The Board of directors regularly review the Company's capital structure in light of the economic conditions, business strategies and future commitments. For the purpose of the Company's capital management, capital includes issued share capital and all other equity reserves. Debt includes, foreign currency term loan, if any and finance lease obligations. During the financial year ended 31st March 2018, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

Debt-Equity Ratio

Particulars	31st March,2018	31st March, 2017	1st April,2016
Foreign currency loan- from others			
Borrowings	-	42,801,000	33,125,000
Total Debt (A)	-	42,801,000	33,125,000
Equity share capital	500,000	500,000	500,000
Other equity	299,782,569	256,182,940	243,257,660
Total Equity (B)	300,282,569	256,682,940	243,757,660
Debt equity ratio (C = A/B)	-	0.17	0.14

Return on Equity

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit after Tax	47,684,931	4,949,895
Equity share capital	500,000	500,000
Other equity	299,782,569	256,182,940
Total equity	300,282,569	256,682,940
Return on equity Ratio (%)	16%	2%

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CIGNEX DATAMATICS TECHNOLOGIES LTD. AHMEDABAD ★

36 I) **Reconciliation of equity as at date of transition (1st April, 2016)**

Particulars	Notes to first-time adoption	Regrouped previous GAAP	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment	1	20,722,153	-	20,722,153
Other intangible assets	2	1,400,283	-	1,400,283
Financial assets				-
i. Investments	3	-	-	-
ii. Loans	4	-	-	-
iii. Other financial assets	5	11,048,962	-	11,048,962
Deferred tax assets	27(c)	7,738,957		7,738,957
Non-current tax assets	6	26,617,002	-	26,617,002
Other non-current assets	7	901,271		901,271
Total non-current assets		68,428,628	-	68,428,628
Current assets				
Financial assets				
i. Investments	8	50,595,114	-	50,595,114
ii. Trade receivables	9	160,475,800	-	160,475,800
iii. Cash and cash equivalents	10	21,052,499	-	21,052,499
iv. Loans (Short Term)	11	5,158,707	-	5,158,707
v. Other financial assets	12	3,512,050	-	3,512,050
Other current assets	13	9,065,276	-	9,065,276
		249,859,446	-	249,859,446
Total current assets		249,859,446	-	249,859,446
Total assets		318,288,074	-	318,288,074
EQUITY AND LIABILITIES	14			
Equity				
Equity share capital	14A	500,000	-	500,000
Other equity				
Reserves and surplus	14B	243,257,660	-	243,257,660
Equity attributable to owners of Cignex Datamatics Technologies Limited		243,757,660	-	243,757,660
Non-controlling interests		-	-	-
Total equity		243,757,660	-	243,757,660
LIABILITIES				
Non-current liabilities				
Employee benefit obligations	15	14,018,755	-	14,018,755
Total non-current liabilities		14,018,755	-	14,018,755
Current liabilities				
Financial liabilities				
i. Borrowings	16	33,125,000	-	33,125,000
ii. Trade payables	17	18,247,870	-	18,247,870
iii. Other financial liabilities	18	2,483	-	2,483
Employee benefit obligations	19	1,545,735	-	1,545,735
Current tax liabilities	20	-	-	-
Other current liabilities	21	7,590,571	-	7,590,571
		60,511,659	-	60,511,659
Total current liabilities		60,511,659	-	60,511,659
Total liabilities		74,530,414	-	74,530,414
Total equity and liabilities		318,288,074	-	318,288,074

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II) Reconciliation of equity as at date of transition (31st March, 2017)

Particulars	Notes to first-time adoption	Regrouped previous GAAP	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment	1	14,406,238	-	14,406,238
Other intangible assets	2	434,709	-	434,709
Financial assets				
i. Investments	3	15,613,565	-	15,613,565
ii. Loans	4	1,868,252	-	1,868,252
iii. Other financial assets	5	14,853,245	-	14,853,245
Deferred tax assets	27(c)	13,992,169	-	13,992,169
Non-current tax assets	6	18,243,970	-	18,243,970
Other non-current assets	7	488,737	-	488,737
Total non-current assets		79,900,885	-	79,900,885
Current assets				
Financial assets				
i. Investments	8	16,423,095	-	16,423,095
ii. Trade receivables	9	212,627,841	-	212,627,841
iii. Cash and cash equivalents	10	14,947,766	-	14,947,766
iv. Loans (Short Term)	11	3,028,118	-	3,028,118
v. Other financial assets	12	9,235,398	-	9,235,398
Other current assets	13	7,826,043	-	7,826,043
		264,088,262	-	264,088,262
Total current assets		264,088,262	-	264,088,262
Total assets		343,989,147	-	343,989,147
EQUITY AND LIABILITIES	14			
Equity				
Equity share capital	14A	500,000	-	500,000
Other equity				
Reserves and surplus	14B	256,182,940	-	256,182,940
Equity attributable to owners of Cignex Datamatics Technologies Limited		256,682,940	-	256,682,940
Non-controlling interests		-	-	-
Total equity		256,682,940	-	256,682,940
LIABILITIES				
Non-current liabilities				
Employee benefit obligations	15	15,873,374	-	15,873,374
Total non-current liabilities		15,873,374	-	15,873,374
Current liabilities				
Financial liabilities				
i. Borrowings	16	42,801,000	-	42,801,000
ii. Trade payables	17	20,133,990	-	20,133,990
iii. Other financial liabilities	18	24,464	-	24,464
Employee benefit obligations	19	1,623,886	-	1,623,886
Current tax liabilities	20	-	-	-
Other current liabilities	21	6,849,494	-	6,849,494
		71,432,833	-	71,432,833
Total current liabilities		71,432,833	-	71,432,833
Total liabilities		87,306,207	-	87,306,207
Total equity and liabilities		343,989,147	-	343,989,147

III) Reconciliation of total comprehensive income for the year ended 31st March, 2017

Particulars	Notes to first-time adoption	Regrouped previous GAAP	Adjustments	Ind AS
Revenue from operations	22	534,186,017	-	534,186,017
Other income	23	5,553,475	-	5,553,475
Total income		539,739,492	-	539,739,492
Expenses				
Purchase of Software License		3,214,325	-	3,214,325
Employee benefit expenses	24	392,383,762	(1,431,702)	390,952,060
Depreciation and amortisation expense		8,903,417	-	8,903,417
Net finance costs	25	3,538,494	-	3,538,494
Other expenses	26	120,775,530	-	120,775,530
Total expenses		528,815,528	(1,431,702)	527,383,826
Profit before exceptional items and tax		10,923,965	1,431,702	12,355,667
Profit before tax		10,923,965	1,431,702	12,355,667
Income tax expense				
- Current tax	27(a)	13,185,622	-	13,185,622
- Deferred tax	27(a)	(6,253,214)	473,364	(5,779,850)
Total tax expense/(credit)		6,932,408	473,364	7,405,772
Profit for the year		3,991,556	958,338	4,949,895
Total comprehensive income for the year				
Other Comprehensive Income				
A. (i) Items that will be reclassified to profit or loss				
B. (i) Items that will not be reclassified to profit or loss		-	(1,431,702)	(1,431,702)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	473,364	473,364
Total Other Comprehensive Income for the year		-	(958,338)	(958,338)
Total Comprhensive Income for the year		3,991,556	-	3,991,556

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37 The Company has entered into operating lease arrangements for several premises . The future minimum lease payments in respect of operating leases are summarized as below:

	As at March 31,2018	As at March 31,2017
Amount due not later than one year from the balance sheet date	14,918,928	17,055,618
Amount due in the period between one year and five years	18,989,304	8,472,408

The Following Lease payments are recognized in Profit and Loss Account:

Lease Rent	16,100,276	26,822,561

General Description of Leasing Arrangements:

1. Leased Assets: Building
2. Future Lease payments are determined on the basis of agreed terms
3. At the expiry of the lease terms, the company has an option either to return the asset or extend the term by giving notice in writing

38 Activities in Foreign Currency

	As at March 31,2018	As at March 31,2017
Expenditure in Foreign Currency (on Accrual Basis)		
CIF value of Import of License	-	-
Foreign Travel	1,035,941	6,235,222
Technical & Professional Fees	-	-
TOTAL	**1,035,941**	**6,235,222**

39 Fair Value of Forward Contract

The company uses forward exchange contracts to hedge its exposure in foreign currency on highly probable forecast transactions. The information on derivative instruments is given below;

The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as of the Balance Sheet date:

PARTICULARS	As at March 31,2018	As at March 31,2017
Not Later Than One Month	22,387,685	26,886,650
Later Than One Month And Not Later Than Three Months	71,317,785	38,436,875
Later Than Three Months And Not Later Than One Year	135,410,010	117,260,500
Later Than One Year	42,978,593	128,210,863
TOTAL	**272,094,073**	**310,794,888**

The following are outstanding foreign exchange forward contracts, which have been designated as Cash Flow Hedges, as at:

PARTICULARS	As at March 31,2018	As at March 31,2017
No. of Contracts	80	71
Notional amount of Currency Forward contracts ($)	3,925,000	4,410,000
Notional amount of Currency Forward contracts (`)	272,094,073	310,794,888
Fair Value (`) Gain / (Loss)	10,063,940	13,121,625

Net Gain on derivative instruments of ` 1,00 63,940 (P.Y. Gain of ` 1,31,21,625) recognised in Hedging reserve as of March 31, 2018, is expected to be reclassified to the statement of profit and loss by August 31, 2018. The foreign currency exposures that are not hedged by a derivative instrument or otherwise is ` NIL (P.Y. ` NIL).

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CIGNEX DATAMATICS TECHNOLOGIES LTD. AHMEDABAD

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

40 Earning Per Share

The Components of basic and diluted earnings per share were as follows:

		As of March 31, 2018	As of March 31, 2017
(a)	Net Profit After Taxation attributable to Equity Shareholders(`)	46,657,313	3,802,892
	Less: Dividend on Preference Shares		
	Less: Tax on Preference Dividend	-	-
	Profit attributable to Equity Shareholders	**46,657,313**	**3,802,892**
(b)	Weighted Average Number of Outstanding Equity Shares		
	Considered for basic EPS including shares allotted pursuant to the scheme outstanding at beginning of the year	50,000	50,000
	Considered for diluted EPS outstanding at end of the year	**50,000**	**50,000**
(c)	Earnings per share		
	(Nominal value per share ` 10 each)		
	Basic (`)	933.15	79.83
	Diluted (`)	933.15	79.83

41 Loans and advances to Subsidiaries consist of following

Particulars	Balance Outstanding as on March 31, 2017	Loan Given	Loan Rapaid	Balance Outstanding as on March 31, 2018
Scalsys Technologies Pvt. Ltd.	1,868,252	-	200,000	1,668,252

42 In terms of Section 22 of the Micro, Small and Medium Enterprises Development Act 2006, the outstanding to these enterprises are required to be disclosed. However,these enterprises are required to be registered under the Act. In the absence of the information about registration of the enterprises under the above Act, the required information could not be furnished.

43 Prior period comparative:

Previous year figures have been appropriately reclassified / recast to confirm to the current year's presentations.

44 Transfer pricing

The Company is yet to initiate a review of the transactions with overseas associates for the year ended March 31, 2018 to ascertain compliance with transfer pricing requirements under the Income Tax Act, 1961. Therefore, adjustments, if any, arising out of such study, has not been made in the financial statements.

45 Figures are rounded off to the nearest of rupee.

As per our Report of even date

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No. 104746W/W100096

KANU DOSHI ASSOCIATES LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Arati Parmar
Partner
Membership No: 102888

Place : Mumbai
Date : May 22, 2018

For and on behalf of the Board

Divya Kumat
Director
DIN 03592056

Vidur V. Bhogilal
Director
DIN 00008036

Place : Mumbai
Date : May 22, 2018

CIGNEX DATAMATICS TECHNOLOGIES LTD. ★ AHMEDABAD