Deloitte
Haskins & Sells LLP

Chartered Accountants
706, 'B' Wing, 7th Floor
ICC Trade Tower
Senapati Bapat Road
Pune - 411 016
Maharashtra, India

Tel: +91 20 6624 4600
Fax: +91 20 6624 4605

INDEPENDENT AUDITOR'S REPORT

To The Members of GMP Technical Solutions Private Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of GMP Technical Solutions Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to Board's Report, but does not include the Financial Statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in

Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

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

g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration not applicable.

h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements;

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

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

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

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hemant M. Joshi
(Partner)
(Membership No. 38019)

Place: Pune
Date: May 28, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of GMP Technical Solutions Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Act.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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 March 31, 2019, based on the criteria for internal financial control over financial reporting 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 DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hemant M. Joshi
(Partner)
(Membership No. 38019)

Place: Pune
Date: May 28, 2019

Deloitte
Haskins & Sells LLP

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Re: GMP Technical Solutions Private Limited ("the Company")

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

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered documents provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans and guarantees are held in the name of the Company as at the balance sheet date.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. Material discrepancies noticed on physical verification during the year have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie,* not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments or receipts of principal amounts and interest.

(c) There is no overdue amount remaining outstanding as at the year-end.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence reporting under clause 3(v) of the Oder is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, *prima facie,* the prescribed cost records have been made and maintained We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) There were delays in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Customs Duty, Goods and Services Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, , Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable except for below:

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the Amount Relates	Due Date	Payment Date
Employee State Insurance Act, 1948	Employees' State Insurance	121,750	March 2017 to March 2018	15th of the following month	-
Profession Tax Act, 1975	Professional tax	64,010	April 2017 to August 2018	20th of the following month	-
Finance Act, 1994	Service Tax	1,032,174	April 2018 to June 2018	6th of the following month	21st May, 2019
Sales Tax Act	Sales Tax	1,197,385	September 2016 to March 2017	20th of the following month	-
Goods and Services Tax Act, 2017	Goods and Services Tax	1,280,597	July to August 2017	20th of the following month	-
Income Tax Act, 1961	Tax Deducted at Source (TDS)	1,401,736	September 2016 to March 2018	7th of the following month	-

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Goods and Services Tax which have not been deposited as on 31st March, 2019 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs.)	Amount Unpaid (Rs.)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax - Appeals	Financial Year 2008-09	1,705,816	1,705,816
Income Tax Act, 1961	Income Tax	Deputy Commissioner of Income Tax - Appeals	Financial Year 2011-12	1,454,760	1,454,760
Finance Act, 1994	Service Tax	Commissioner of Service Tax	April 2009 to September 2013	3,604,393	3,604,393
Sales Tax Act, 1956	Value Added Tax / Central Sales Tax	Deputy Commissioner of Sales Tax, Rajasthan	Financial Year 2014-15	25,736,109	24,836,245
Sales Tax Act, 1956	Value Added Tax / Central Sales Tax	Deputy Commissioner of Sales Tax, Mumbai	Financial Year 2011-12 to Financial Year 2014-15	84,034,075	84,034,075

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks and there are no borrowings from government. The Company has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer of further public offer (including debt instruments).

(x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable to the Company.

(xiii) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xiv) 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.

(xv) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hemant M. Joshi
(Partner)
(Membership No. 38019)

Place: Pune
Date: May 28, 2019

GMP Technical Solutions Private Limited
Balance Sheet as at March 31, 2019

(Rs. in Lakhs)

		Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
A		**ASSETS**			
	(1)	**Non-current assets**			
		(a) Property, Plant and Equipment	3	3,172.26	3,347.63
		(b) Other Intangible Assets	4	5.69	9.84
		(c) Financial Assets			
		(i) Investments	5	-	24.51
		(ii) Loans Receivables considered good - unsecured	7	882.90	825.04
		(iii) Others Financial Assets	8	211.43	342.36
		(d) Income Tax Assets (net)		161.07	890.12
		(e) Deferred Tax Assets (net)	9	707.26	707.26
		(f) Other Non-Current Assets	10	133.34	57.86
		Total Non - Current Assets		**5,273.95**	**6,204.62**
	(2)	**Current assets**			
		(a) Inventories	11	1,737.75	1,561.73
		(b) Financial Assets			
		(i) Trade Receivables considered good - unsecured	6	5,351.87	8,086.27
		(ii) Cash and Cash Equivalents	12	1,375.58	501.31
		(iii) Bank balances other than (ii) above	12	270.15	1,173.22
		(iv) Loans Receivables considered good - unsecured	7	51.94	103.51
		(v) Others Financial Assets	8	51.15	198.94
		(c) Other Current Assets	10	647.23	832.60
		Total Current Assets		**9,485.67**	**12,457.58**
		Total Assets (1+2)		**14,759.62**	**18,662.20**
B		**EQUITY AND LIABILITIES**			
	(1)	**Equity**			
		(a) Equity Share capital	13	1.49	1.49
		(b) Other Equity	13.1	6,205.02	7,249.74
		Total Equity		**6,206.51**	**7,251.23**
		LIABILITIES			
	(2)	**Non-current liabilities**			
		(a) Financial Liabilities - Borrowings	14	921.90	1,066.76
		(b) Other Non Current Liabilities	18	11.17	15.17
		Total Non - Current Liabilities		**933.07**	**1,081.93**
	(3)	**Current liabilities**			
		(a) Financial Liabilities			
		(i) Borrowings	19	1,312.95	3,088.40
		(ii) Trade payables	15	3,901.24	4,442.92
		(iii) Other Financial Liabilities	16	33.20	194.80
		(b) Provisions	17	412.74	364.57
		(c) Other Current Liabilities	18	1,959.91	2,238.35
		Total Current Liabilities		**7,620.04**	**10,329.04**
		Total Equity and Liabilities (1+2+3)		**14,759.62**	**18,662.20**
		Summary of significant accounting polices	2		
		See accompanying notes forming part of the financial statements.			

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hemant M. Joshi
Partner

Place : Pune
Date : May 28, 2019

GMP TECHNICAL SOLUTIONS PVT. LTD.

For and on behalf of the Board of Directors

Siddharth V. Moorthy
Director
(DIN : 02504124)

Ajay Mehta
Director
(DIN : 00436908)

Place : Pune
Date : May 28, 2019

GMP Technical Solutions Private Limited

Statement of Profit and Loss for the year ended March 31, 2019

(Rs. in Lakhs)

	Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
(I)	Revenue from operations	20	16,178.85	20,327.08
(II)	Other Income	21	978.40	1,703.60
(III)	**Total Income (I + II)**		**17,157.25**	**22,030.68**
(IV)	**EXPENSES**			
	(a) Cost of materials consumed	22.a	11,595.33	12,148.93
	(b) Changes in stock of finished goods, work-in-progress and stock-in-trade	22.b	66.32	1,158.10
	(c) Excise duty on sale of goods		-	151.29
	(d) Employee benefit expense	23	2,860.46	3,042.67
	(e) Finance costs	24	481.19	643.40
	(f) Depreciation and amortization expense	3 & 4	524.80	660.70
	(g) Other expenses	25	2,651.29	4,767.24
	Total Expenses (IV)		**18,179.39**	**22,572.33**
(V)	**Loss before tax (III - IV)**		(1,022.14)	**(541.65)**
(VI)	**Tax Expense**			
	(1) Deferred tax	9 & 9.1	-	34.45
	Total tax expense		-	**34.45**
(VII)	**Loss after tax (V - VI)**		**(1,022.14)**	**(576.10)**
(VIII)	**Other comprehensive income**			
	(i) Items that will not be recycled to profit or loss		**(31.29)**	51.43
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**8.71**	(17.17)
			(22.58)	**34.26**
(IX)	**Total comprehensive loss for the year (VII + VIII)**		**(1,044.72)**	**(541.84)**
(X)	**Basic & Diluted earnings per equity share (Rs.)**	26	**(6,846)**	**(3,859)**

Summary of significant accounting polices — 2

See accompanying notes forming part of the financial statements.

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

For and on behalf of the Board of Directors

Hemant M. Joshi
Partner

Siddharth V. Moorthy
Director
(DIN : 02504124)

Ajay Mehta
Director
(DIN : 00436908)

Place : Pune
Date : May 28, 2019

Place : Pune
Date : May 28, 2019

GMP Technical Solutions Private Limited
Standalone Cash Flow Statement for the year ended March 31, 2019

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
A. Cash flow from operating activities				
Profit before tax		(1,022.14)		(541.65)
Adjustments for:				
Depreciation and amortisation expenses	524.80		660.70	
Finance costs	481.19		643.40	
Liabilities no longer required written back	(187.92)		(1,226.95)	
Provision for bad and doubtful debts and advances	604.02		251.27	
Bad Debts	127.68		1,729.95	
Loss on transfer of assets	-		11.14	
Net gain/(Loss) arising on financials Assets designated as at FVTPL	-		900.00	
Interest Income	(279.28)		(150.17)	
Profit/Loss on Sale of Fixed Assets	51.13		(162.26)	
		1,321.62		2,657.09
Operating profit / (loss) before working capital changes		299.48		2,115.44
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(176.02)		780.54	
Loans	3.75		196.19	
Other Financial Assets	110.28		173.87	
Other non - current assets	(75.47)		-	
Other Current Assets	269.08		(187.62)	
Trade receivables	2,256.76		(997.12)	
			-	
Adjustments for increase / (decrease) in operating liabilities:			-	
Trade and other payables	(378.48)		(1,309.38)	
Current provisions	16.88		(6.83)	
Other Financial Liabilities	(161.60)		18.84	
Other Liabilities	(282.44)		(497.93)	
		1,582.74		(1,829.43)
Cash generated from operations		1,882		286.01
Net income tax (paid) / refunds		729.05		(114.22)
Net cash flow from / (used in) operating activities (A)		**2,611.27**		**171.79**
B. Cash flow from / (used in) investing activities				
Payments for property, plant & equipment, other intangible assets and capital	(498.85)		(115.97)	
Proceeds on sale of Property, Plant and Equipments	102.43		519.05	
Deposit with banks	1,005.55		568.71	
Interest from bank on Fixed deposit	345.24		217.10	
Diminution in Investment	(24.51)	929.86		1,188.89
Net cash flow from / (used in) investing activities (B)		**929.86**		**1,188.89**
C. Cash flow from / (used in) financing activities				
Proceeds from non-current borrowings	(518.15)		(117.29)	
Proceeds from current borrowings	(1,656.61)		(494.18)	
Finance cost	(373.29)		(548.13)	
		(2,548.05)		(1,159.60)
Net cash flow from / (used in) financing activities (C)		**(2,548.05)**		**(1,159.60)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**993.08**		**201.08**
Cash and cash equivalents at the beginning of the year		382.48		181.40
Cash and cash equivalents at the end of the year		**1,375.57**		**382.48**
Cash and cash equivalents at the end of the period comprises of:				
(a) Balances with Current accounts (Net of Bank Overdraft)		1,370.67		376.65
(b) Cash on hand		4.90		5.83
		1,375.57		**382.48**

Notes:

Figures in brackets represent outflows

See accompanying notes forming part of the financial statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

For and on behalf of the Board of Directors

Hemant M Joshi
Partner

Siddharth V. Moorthy
Director
(DIN : 02504124)

Ajay Mehta
Director
(DIN : 00436908)

Place: Pune
Date: May 28, 2019

Place: Pune
Date: May 28, 2019

GMP Technical Solutions Private Limited
Statement of changes in equity for the year ended March 31, 2019

A: Changes in Equity (Rs. in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Equity		
Balance outstanding at the beginning of the year	1.49	1.49
Add: Additional shares issued during the year	-	-
Less: Shares forfeited/Bought back during the year	-	-
Balance outstanding at the end of the year	**1.49**	**1.49**

B. Changes in Other Equity **(Rs. in Lakhs)**

Particulars	General reserve	Capital Redemption Reserve	Retained earnings	Total
Balance as at April 1, 2017	134.57	150.00	7,507.01	7,791.58
Other Comprehensive income for the year, net of income tax	-	-	34.26	**34.26**
Loss for the year	-	-	(576.10)	**(576.10)**
Subtotal	-	-	**(541.84)**	**(541.84)**
Balance at the end of March 2018	**134.57**	**150.00**	**6,965.17**	**7,249.74**

(Rs. in Lakhs)

Particulars	General reserve	Capital Redemption Reserve	Retained earnings	Total
Balance as at April 1, 2018	134.57	150.00	6,965.17	7,249.74
Other Comprehensive income for the year, net of income tax	-	-	(22.58)	(22.58)
Loss for the year	-	-	(1,022.14)	(1,022.14)
Subtotal	-	-	**(1,044.72)**	**(1,044.72)**
Balance at the end of March 2019	**134.57**	**150.00**	**5,920.45**	**6,205.02**

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hemant M. Joshi
Partner

Place : Pune
Date : May 28, 2019

GMP TECHNICAL SOLUTIONS PVT. LTD.

For and on behalf of the Board of Directors

Siddharth V. Moorthy
Director
(DIN : 02504124)

Ajay Mehta
Director
(DIN : 00436908)

Place : Pune
Date : May 28, 2019

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

1. CORPORATE INFORMATION

The Company was incorporated on September 22, 2003. The Company is engaged in Manufacturing of Clean Room Partition, Doors, Pharma certifications, Turnkey Projects and Trading business. The Company is a subsidiary of Vascon Engineers Limited, Pune. The Company's Head office is located at Mumbai, Manufacturing facility is located at Baddi and having various branches in India.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.01 Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.02 Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.03 Use of estimate

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax liabilities and provisions and contingent liabilities.

Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2.10.

Provisions and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to unwinding of discount over passage of time is recognized as finance cost. Provisions are reviewed at the each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

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

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Company has obtained independent fair valuation for financial instruments wherever necessary to determine the appropriate valuation techniques and inputs for fair value measurements. In some cases the fair value of financial instruments is done internally by the management of the Company using market-observable inputs.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The qualified external valuers establish the appropriate valuation techniques and inputs to the model. The external valuers report the management of the Company findings every reporting period to explain the cause of fluctuations in the fair value of the assets and liabilities.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes no 29.

2.04 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

1. Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from sales and operation excludes Goods and Services Tax

2. Income from services

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognised when probable.

Revenues from maintenance contracts are recognised pro-rata over the period of the contract.

3. Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

4. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.05 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating Lease

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Finance Lease

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a
Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss.

2.06 Foreign Currency

The functional currency of the Company is Indian rupee.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

2.07 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.08 Government grants

(i) Government grants in respect to manufacturing unites located in developing regions :

The Company is entitled to various incentives from government authorities in respect of manufacturing units located in developing regions. The Company accounts for its entitlements on accrual basis on approval of the initial claim by the relevant authorities and there is reasonable assurance that the grants will be received.

(ii) Government grants in respect of additional Capital Expenditures :

Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets is accounted for as deferred income. The grant is recognised as income over the life of a depreciable asset by accounting deferred income in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

(iii) Export Incentives

Government grants that are receivable as compensation for expenses already incurred are netted off against relevant expenditure in statement of profit and loss.

2.09 Employee benefits

(1) Defined Contribution Plan:

Payments to defined contribution retirement benefit schemes viz. Company's Provident Fund Scheme and Superannuation Fund are recognised as an expense when the employees have rendered the service entitling them to the contribution.

(2) Defined Benefit Plan:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

(i) Gratuity: The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15/26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation. The Company has taken a Group Gratuity cum Life Assurance Scheme with Bajaj Allianz for future payment of gratuity to the eligible employees.

(ii) Compensated Absences: The Company provides for the encashment of compensated absences with pay subject to certain rules. The employees are entitled to accumulate compensated absences subject to certain limits, for future encashment. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit and the accumulated leave expected to be carried forward beyond twelve month is treated as long-term employee benefit which are provided based on the number of days of un utilised compensated absence on the basis of an independent actuarial valuation.

Deloitte Haskins & Sells LLP Chartered Accountants

GMP Technical Solutions Pvt. Ltd.

2.10 Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

2.11 Property, Plant and Equipment

Property, plant and equipment held for use in production or supply of goods or services or for administrative purposes are stated at cost less accumulated depreciation/amortization less accumulated impairment, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use.

Depreciation is recognized (other than on capital work-in-progress) on a written down value method over the estimated useful lives of assets. Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement. The estimated useful lives of assets are stated below:

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD. *

Particulars	Useful Life
	(in years)
Building*	30& 60
Plant and Machinery*	3,5,10 & 15 Years
Furniture and Fixtures*	10
Vehicles*	8
Office equipment*	3 to 6 Years
Leasehold Improvements	Over Period of lease
Property, plant and equipment individually costing Rs. 5,000 or less	Fully depreciated in the year of acquisition

* Estimated useful life of assets is consistent with the useful life specified in the Schedule II of the Companies Act, 2013

The economic useful lives of assets is assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc.The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part. Freehold land is not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

2.12 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized on a straight line basis over their estimated useful lives of 3 years, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, the amortization method and the amortization period are reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the profit or loss when the asset is derecognized.

2.13 Impairment

Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2.14 Inventories

Inventories of raw materials, work-in-progress, stock-in-trade and stores & spares are valued at the lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost is ascertained on a weighted average basis. Valuation of work-in-progress and finished goods includes proportionate production overheads. Finished goods and imported materials lying in bonded/custom warehouses are valued inclusive of duty payable thereon.

2.15 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

HASKINS & SELLS Chartered Accountants

GMP PVT. LTD. SOLUTIONS

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Investment in subsidiaries

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Financial guarantee contracts:

A Financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instruments.

Financial guarantee contracts issued by a holding company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of :

• The amount of loss allowance determined in accordance with impairment requirements of IND AS 109; and

• The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of IND AS 18.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest.

Offsetting of financial instruments

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

2.16 Earnings Per Share (EPS)

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

2.17 Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

2.18 Current/Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within 12 months after the date of reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting period.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

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

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period Current liabilities include the current portion of long term financial liabilities.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

2.19 Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs, if any, directly attributable to the issue of ordinary shares are recognized as a deduction from other equity, net of any tax effects.

2.20 Fair Value Measurement

Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either:

- in the principle market for the asset or liability
- in the absence of principle market, in the most advantageous market for the asset or liability.

The principle or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (Unadjusted) Market prices in active markets for incidental assets or liabilities
- Level 2 –Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation Techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers that have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

Determination of Fair Value

1) Financial Assets - Debt Instruments at amortized cost

After initial measurement the financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR.

2) Financial Assets - Debt Instruments at Fair Value through Other Comprehensive Income (FVTOCI)

Measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L.

3) Debt instruments, derivatives and equity instruments at Fair Value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

4) Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit & loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Companies financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent Measurement

Fair value through Profit & Loss

Financial liabilities at fair value through profit & loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. All changes in fair value of such liabilities are recognized in statement of profit or loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as finance costs in the statement of profit and loss.

2.21 Dividend

Dividend on share is recorded as liability on the date of approval by the shareholders.

2.22 Investments

Long Term Investments are carried at cost. Provision for diminution is made to recognize the decline, other than temporary in the value of these investments. Current investments are carried at lower of the cost and fair value.

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

2.23 Recent accounting pronouncements

IND AS 116 - Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

• Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

• Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

• Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

• An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition -

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

Amendment to Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

2.24 Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.

'The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

Chartered Accountants

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 3: Property, Plant and Equipment **(Rs. In Lakhs)**

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 01.04.2018	Additions during the year	Deductions during the year	As at 31.03.2019	As at 01.04.2018	For the year	On deductions	As at 31.03.2019	As at 31.03.2019
Land	440.02	-	-	440.02	-	-	-	-	440.02
	(440.02)	-	-	(440.02)	-	-	-	-	(440.02)
Buildings	2,820.82	0.66	4.24	2,817.24	1,645.81	105.23	3.26	1,747.78	1,069.46
	(3,364.23)	(29.87)	(573.28)	(2,820.82)	(1,781.98)	(122.44)	(258.61)	(1,645.81)	(1,175.01)
Plant & Equipment	5,889.30	495.37	706.50	5,678.17	4,247.89	391.36	562.74	4,076.51	1,602.66
	(6,089.83)	(85.20)	(285.73)	(5,889.30)	(4,000.12)	(495.99)	(248.22)	(4,247.89)	(1,641.41)
Furniture & Fixtures	261.25	1.99	63.26	199.98	214.57	13.10	55.46	172.21	27.77
	(277.22)	(0.77)	(16.75)	(261.25)	(211.14)	(18.03)	(14.61)	(214.57)	(46.68)
Vehicles	109.85	-	4.18	105.67	74.97	10.27	3.94	81.30	24.37
	(127.48)	-	(17.63)	(109.85)	(74.28)	(15.84)	(15.15)	(74.97)	(34.90)
Leasehold Improvement	46.10	-	7.54	38.56	36.49	0.20	7.11	29.58	7.98
	(46.10)	-	-	(46.10)	(36.21)	(0.28)	-	(36.49)	(9.61)
Total	**9,567.34**	**498.02**	**785.72**	**9,279.64**	**6,219.73**	**520.16**	**632.51**	**6,107.38**	**3,172.26**
Previous year as at March 31, 2018	**(10,344.88)**	**(115.84)**	**(893.39)**	**(9,567.34)**	**(6,103.73)**	**(652.58)**	**(536.59)**	**(6,219.73)**	**(3,347.63)**

Note : Numbers in brackets pertains to previous year.

GMP TECHNICAL SOLUTIONS PVT. LTD.

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 4: Intangible Assets

(Rs.. In Lakhs)

Particulars	Gross Block				Amortization				Net Block
	As at 01.04.2018	Additions during the year	Deductions during the year	As at 31.03.2019	As at 01.04.2018	For the year	On deductions	As at 31.03.2019	As at 31.03.2019
Intangible Assets									
(Other than internally generated)									
Software	100.99	0.84	10.42	91.41	91.16	4.64	10.08	85.72	5.69
	(100.86)	(0.13)	-	(100.99)	(83.03)	(8.12)	-	(91.16)	(9.84)
Total	**100.99**	**0.84**	**10.42**	**91.41**	**91.16**	**4.64**	**10.08**	**85.72**	**5.69**
Previous year as at March 31, 2018	**(100.86)**	**(0.13)**	**-**	**(100.99)**	**(83.03)**	**(8.12)**	**-**	**(91.16)**	**(9.84)**

Note : Numbers in brackets pertains to previous year.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 5: Investment (Rs.. In Lakhs)

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
	Non Current Investments - At Cost		
(i)	Investment in shares of Subsidiary Company (Unquoted)		
	GMP Technical Solution Middle East FZE	24.51	24.51
	[150000 (March 31, 2018 - 150,000 Shares) Shares of AED 1/- each fully paid]		
	Less : Provision for Diminution in Investment	(24.51)	-
	Total	-	**24.51**

DELOITTE HASKINS & SELLS LLP
Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 6 - Trade receivables considered good - unsecured **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
	Unsecured :		
(i)	Considered good	4,600.55	6,271.68
(ii)	Considered doubtful	1,704.42	1,228.76
	Less: Allowance for Credit Losses	(1,704.42)	(1,228.76)
		4,600.55	6,271.68
	Less: Related Unearned Receivable	(156.76)	(292.04)
		4,443.79	**5,979.64**
	Retention (Accrued but not due)		
	Unsecured, considered good	908.08	2,106.63
		908.08	**2,106.63**
	Total	**5,351.87**	**8,086.27**

Notes:

1. Trade receivables are dues in respect of goods sold or services rendered in the normal course of business.

2. The normal credit period allowed by the company ranges from 60 to 90 days.
3. No trade or other receivables are dues from directors or other officer of the company either servally or jointly with any other person nor any trade or other receivables are due from firm or private companies respectively .
4. The Company performs credit assessment for customers on an annual basis and recognizes credit risk, on the basis of lifetime expected losses and where receivables are due for more than six months.

(Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Receivables	7,056.29	9,315.03
Less : Expected Credit Loss	(1,704.42)	(1,228.76)
Total	**5,351.87**	**8,086.27**

Deloitte Haskins & Sells LLP Chartered Accountants

GMP Technical Solutions Pvt. Ltd.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 7 - Loans receivables considered good - unsecured **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Current**		
	(Unsecured, considered good)		
	Loans and Advances to Employees	51.94	103.51
		51.94	**103.51**
(b)	**Non - Current**		
	(Unsecured, considered good)		
(i)	Loans and Advances to Employees	20.71	23.50
(ii)	Loans to related parties	172.24	162.19
	Less : Provision for doubtful Loans	(172.24)	(162.19)
		-	-
(iii)	Other Loans	862.19	801.54
		882.90	**825.04**
	Total	**934.84**	**928.55**

Deloitte Haskins & Sells LLP Chartered Accountants

GMP Technical Solutions Pvt. Ltd.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 8 - Other Financial Assets **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Non - Current**		
	Unsecured, considered good		
(i)	Security Deposits	93.48	115.00
(ii)	Interest accrued on deposits	34.51	41.43
(iii)	Deposits with Banks (Under Lien)	83.44	185.93
		211.43	**342.36**
(b)	**Current**		
(i)	Interest accrued	131.51	164.77
	Less : Provision for interest receivable	(80.36)	(54.58)
		51.15	110.19
(ii)	Amounts due from customers under construction contracts	-	77.46
(iii)	Security Deposits	-	11.29
		51.15	**198.94**
	Total	**262.58**	**541.30**

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 9 : Deferred Tax Assets

(i) Break up of deferred tax asset as at year end: **(Rs. In Lakhs)**

Sr. No	Nature of temporary difference	As at March 31, 2019	As at March 31, 2018
1	**Deferred Tax Liability** Effects of reameasuring Financials instruments, Financial guarantee Commission and OCI under IND AS	3.34	1.34
	Total	**3.34**	**1.34**

(ii) Break up of deferred tax asset as at year end: **(Rs. In Lakhs)**

Sr. No	Nature of temporary difference	As at March 31, 2019	As at March 31, 2018
1	**Deferred Tax Assets**		
	On difference between book balance and tax balance of Property, Plant & Equipment	63.44	55.87
	Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	141.67	151.56
	Provision for doubtful debts / advances	484.30	452.18
	Effects of reameasuring Financials instruments, Financial guarantee Commission and OCI under IND AS	113.38	48.98
	Total	**802.79**	**708.59**

(iii) Net Deferred Tax Asset Recognised: **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
1	**Net Deferred Tax Asset recognised**	**707.26**	**707.26**

The Company has not recognised deferred tax assets on conservative basis during the year.

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

9.1 Reconciliation of Tax expenses and accounting profit multiplied by India's tax rate

(a) Income tax expenses

(i) Profit or Loss Section

(Rs. In Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Current Tax expenses	-	-
(b)	Prior Period	-	-
(c)	Deferred tax	-	34.45
	Total Income tax expenses recognised in statement of profit & Loss	**-**	**34.45**

(ii) Reconciliation of effective tax rate

(Rs. In Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Income before income tax	(1,022.14)	(541.65)
(b)	Enacted tax rate in India	27.82%	33.06%
(c)	Expected tax expenses	(284.36)	(179.07)
(d)	Effect of expenses that are not deductible in determining taxable profit	284.36	179.07
(e)	Excess provision for tax relating to prior year	-	-
(f)	Deferred tax assets recognised on temporary differences	-	34.45
(g)	Net current tax expenses recognised in statement of Profit & Loss (e+f)	-	34.45

DELOITTE HASKINS & SELLS LLP
Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 10- Other non-current and current assets **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Current**		
	(Unsecured, Considered Good)		
(i)	Advances to suppliers	179.67	243.81
	Less: Doubtful Advances	(106.72)	(125.73)
	Net Balance	**72.95**	**118.08**
(ii)	Balances with government authorities (other than income taxes)	298.57	367.45
(iii)	Prepaid Expenses	132.57	48.87
(iv)	Others (Deferred Revenue Expenditure)	143.14	298.20
		647.23	**832.60**
(b)	**Non - Current**		
	(Unsecured, Considered Good)		
(i)	Balances with government authorities (other than income taxes)	133.34	57.86
		133.34	**57.86**
	Total	**780.57**	**890.46**

Deloitte Haskins & Sells LLP Chartered Accountants

GMP Technical Solutions Pvt. Ltd.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 11: Inventories **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
(i)	Raw materials	1,283.67	1,041.34
(ii)	Work-in-progress	126.24	101.55
(iii)	Finished Goods (Including Stock in Trade)	327.84	418.84
	Total	**1,737.75**	**1,561.73**

DELOITTE HASKINS & SELLS LLP * Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD. *

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 12: Cash and Bank Balances **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Cash and Cash equivalents**		
(i)	Cash in hand	4.90	5.83
(ii)	Balances with Current Accounts	761.77	273.98
(iii)	Balances with banks in deposit accounts with original maturity of less than 3 months held as margin money or security against borrowing, guarantee and other	608.91	221.50
	Cash and Cash equivalents as per Balance Sheet	**1,375.58**	**501.31**
	Bank overdraft	-	118.83
	Total Cash and cash equivalent as per statement of cash flows	**1,375.58**	**382.48**
(b)	**Other Bank Balances**		
(i)	Balances held as margin money or security against borrowing, guarantee and other	353.59	1,116.00
(ii)	Balances with banks include deposits with remaining maturity of more than 3 months from the balance sheet date	-	243.15
		353.59	**1,359.15**
(iii)	Less: Bank deposits with more than 12 months maturity held as security for Bank Guarantee transfer to other non-current assets (Refer note 8)	(83.44)	(185.93)
	Total other Bank Balance	**270.15**	**1,173.22**

DELOITTE HASKINS & SELLS LLP
Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the financial Statements
Note 13 - Equity Share Capital **(Rs. In Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Capital:		
500,000 (Previous year 500,000) Equity Shares of Rs 10 each	50.00	50.00
14,500,000 (Previous year 14,500,000) Preference Shares of Rs. 10 each	1,450.00	1,450.00
Total	**1,500.00**	**1,500.00**
Issued Subscribed & Paid up:		
14,930 (Previous year 14930) Equity Shares of Rs 10 each fully paid up.	1.49	1.49
Total	**1.49**	**1.49**

(A): Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

(Rs. In Lakhs)

Particulars	March 31, 2019		March 31, 2018	
	No.of Shares	Amount	No.of Shares	Amount
Equity				
No of shares outstanding at the beginning of the year	14,930	1.49	14,930	1.49
Add: Additional shares issued during the year year	-	-	-	-
Less: Shares forfeited/Bought back during the year	-	-	-	-
No of shares outstanding at the end of the year	**14,930**	**1.49**	**14,930**	**1.49**

(B): Rights, preferences and restrictions attached to equity:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(C): Shares held by holding company: **(Rs. In Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Equity Shares of Rs. 10 each fully paid up held by:-		
Holding company		
Vascon Engineers Limited	1.27	1.27
12,689 (previous period 12,689) Equity Shares of Rs.10 each		
Total	**1.27**	**1.27**

(D): Number of shares held by each shareholders holding more than 5% shares in the Company are as follows:

Details of shareholder	March 31, 2019	March 31, 2018
	% Holding	% Holding
Equity shares of Rs 10 each fully paid:		
Vascon Engineers Limited	85%	85%

13.1 Other Equity

(Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
a) Capital Redemption Reserve		
Balance at the beginning & end of the year	150.00	150.00
	150.00	**150.00**
b) General Reserve		
Balance at the beginning and end of the year	**134.57**	**134.57**
c) Retained earnings		
Balance at the beginning of the year	6,965.17	7,507.01
Profit for the year	(1,022.14)	(576.10)
Other Comprehensive income for the year, net of income tax	(22.58)	34.26
Balance at the end of the year	**5,920.45**	**6,965.17**
Total	**6,205.02**	**7,249.74**

GMP TECHNICAL SOLUTIONS PVT. LTD.

DELOITTE

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 14: Non Current Financial Liabilities - Borrowings **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Secured Borrowings: - at amortised Cost**		
(i)	Long term maturities of Finance Lease Obligations	-	252.76
		-	**252.76**
(b)	**Unsecured Borrowings - at amortised Cost**		
(i)	Redeemable preference share capital	921.90	814.00
		921.90	**814.00**
	Total	**921.90**	**1,066.76**

DELOITTE HASKINS & SELLS LLP
Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 15: Trade Payables **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
(i)	Total outstanding dues of micro enterprises and small enterprises (Refer note 32)	-	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	3,901.24	4,442.92
	Total	**3,901.24**	**4,442.92**

DELOITTE HASKINS & SELLS LLP
Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited

Notes forming part of the Financial Statements

Note 16 - Other Financial Liabilities **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Current**		
(i)	Current maturities of finance lease obligations	-	117.29
(ii)	Other Liabilities	33.20	77.51
	Total	**33.20**	**194.80**

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 17: Provisions **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
	Current		
	Provision for employee benefits		
(i)	Compensated Absences	170.24	198.94
(ii)	Gratuity (Net) (Refer note no. 30)	242.50	165.63
	Total	**412.74**	**364.57**

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 18: Other Liabilities **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Current**		
(i)	Advances received from customers		
	- Gross amount due to customers	1,528.70	1,353.26
		1,528.70	1,353.26
(ii)	Amount due to customers under construction contracts		
	- Gross amount due to customers	486.71	843.77
	- Less : Related Debtors	(156.75)	(292.04)
		329.96	551.73
(iii)	Statutory dues		
	- taxes payable (other than income taxes)	97.25	329.36
(iv)	Deferred Revenue		
	- Deferred Government grant related to assets	4.00	4.00
		1,959.91	**2,238.35**
(b)	**Non - Current**		
(i)	Defered Revenue		
	- Deferred Government grant related to assets	11.17	15.17
		11.17	15.17
	Total	**1,971.08**	**2,253.52**

Deloitte Haskins & Sells LLP Chartered Accountants

GMP Technical Solutions Pvt. Ltd.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 19: Current Borrowings **(Rs. In Lakhs)**

Sr. No	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Secured Borrowings**		
(i)	Cash Credit from Banks (Refer Note 14.1)	1,312.95	2,374.33
(ii)	Bank Overdrafts	-	595.24
(b)	**Unsecured Borrowings**		
(i)	Bank Overdrafts	-	118.83
	Total	**1,312.95**	**3,088.40**

DELOITTE HASKINS & SELLS LLP
Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited

Notes forming part of the Financial Statements (Rs. In Lakhs)

19.1 Disclosure regarding borrowings

Name of the lender	Outstanding amount	Rate of interest	Nature of security
Short Term Borrowings			
A. Cash Credit from Banks			
Axis Bank Ltd	-	13.00%	(Secured by hypothecation of present and future current assets of the company and equitable mortgage of company's factory land and building (Unit I & Unit II) situated at Baddi and Corporate Guarantee of Vascon Engineers Ltd)
Bank of Baroda	1,312.95	15.15%	(Secured by hypothecation of present and future current assets of the company and equitable mortgage of company's office at Ghatkopar and Corporate Guarantee of Vascon Engineers Ltd)
Total	**1,312.95**		

DELOITTE HASKINS & SELLS Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 20 Revenue from Operations **(Rs. In Lakhs)**

Sr. No	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a)	Revenue from sale of goods	13,792.74	17,725.87
(b)	Revenue from rendering of services	2,105.23	2,408.99
(c)	Other operating income (Includes Scrap Sales, Export Rebate, Duty Drawback etc)	280.88	192.22
	Total	**16,178.85**	**20,327.08**

DELOITTE HASKINS & SELLS LLP
Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 21 Other Income **(Rs. In Lakhs)**

Sr. No	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(i)	Interest Income	279.29	150.17
(ii)	Liabilities no longer required written back	187.92	1,226.95
(iii)	Profit on sale of property plant and equipments (net)	-	162.26
(iv)	Bad Debts Recovered	363.55	-
(v)	Miscellaneous Income (includes insurance claim, loading & unloading income etc)	145.67	101.18
(vi)	Net gain on foreign currency transactions (Other than considered as finance cost)	1.97	63.04
	Total	**978.40**	**1,703.60**

DELOITTE HASKINS & SELLS LLP
Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 22 a Cost of materials consumed **(Rs. In Lakhs)**

Sr. No	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
1	Opening stock	1,041.34	1,347.05
2	Add: Purchases	11,837.66	11,843.22
3	Less: Closing stock	1,283.67	1,041.34
	Cost of materials consumed	**11,595.33**	**12,148.93**

Note 22 b Changes in inventories of finished goods, work-in-progress and stock-in-trade **(Rs. In Lakhs)**

Sr. No	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
1	Inventories at the end of the year:		
	Finished goods (Including Stock in Trade)	327.84	418.84
	Work-in-progress	126.25	101.55
		454.09	**520.39**
2	Inventories at the beginning of the year:		
	Finished goods (Including Stock in Trade)	418.84	1,615.71
	Work-in-progress	101.55	62.78
		520.39	**1,678.49**
	Net (increase) / decrease	**66.32**	**1,158.10**

DELOITTE HASKINS & SELLS LLP
Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 23 Employee Benefit Expenses **(Rs. In Lakhs)**

Sr. No	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a)	Salaries and wages, including bonus	2,526.34	2,692.55
(b)	Contribution to provident and other funds	158.20	183.25
(c)	Staff welfare expenses	175.92	166.87
	Total	**2,860.46**	**3,042.67**

DELOITTE HASKINS & SELLS LLP
Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 24 Finance Cost **(Rs. In Lakhs)**

Sr. No	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a)	Interest expense	395.69	542.19
(b)	Other borrowing cost (includes bank charges & LC discounting charges)	85.50	101.21
		-	-
	Total	**481.19**	**643.40**

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECH SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 25 Other Expenses

(Rs. in Lakhs)

Sr. No	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a)	Stores and spares consumed	296.09	303.41
(b)	Power & Fuel oil consumed	228.80	227.50
(c)	Rent	192.43	213.58
(d)	Repairs and maintenance - Buildings	2.75	19.76
(e)	Repairs and maintenance - Machinery	62.75	60.36
(f)	Repairs and maintenance - Others	25.80	23.17
(g)	Rates and taxes	10.13	65.88
(h)	Insurance charges	22.18	26.92
(i)	Loss on Property Plant and Equiptment Sold/Scrapped/Written Off (Net)	51.13	-
(j)	Bad debts and other receivables, loans and advances written off	127.68	1,729.95
(k)	Loss on Transfer of Assets	-	11.14
(l)	Provision for doubtful debts and advances	604.02	251.27
(m)	Auditors remuneration and out-of-pocket expenses	-	-
	(i) As Auditors	22.50	16.00
	(ii) For Out of Pocket Expenses	1.04	-
(n)	Other expenses		
	(i) Legal and other professional costs	331.32	147.86
	(ii) Advertisement, Promotion & Selling Expenses	35.84	144.52
	(iii) Travelling and Conveyance Expenses	306.15	339.69
	(iv) Security expenses	50.05	48.51
	(v) Housekeeping Expenses	12.78	13.23
	(vi) Printing & stationery expenses	45.33	45.60
	(vii) Communication expenses	64.16	74.96
	(viii) Licence & Filing Fee	17.81	13.77
	(ix) Miscellaneous Expenses	116.04	90.16
	(x) Provision for Diminution in Investment	24.51	-
(o)	Net gain/(Loss) arising on financials Assets designated as at FVTPL	-	900.00
	Total	**2,651.29**	**4,767.24**

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 26: Earnings Per Share

(Amount in Rs.)

Sr. No	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
		Per Share	Per Share
	Net Profit for the year attributable to the equity shareholders	(102,213,615)	(57,609,943)
	Weighted average number of equity shares	14,930	14,930
	Par value per share	10	10
	Earnings per share - Basic and Diluted	(6,846)	(3,859)

DELOITTE HASKINS & SELLS LLP * Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD. *

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 27- Financial Instruments and Risk Review

Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 40% and 70%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

(Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings	2,234.85	4,272.44
Trade Payables	3,901.24	4,442.92
Less : Cash and Cash Equivalents	1,375.57	501.31
Net Debt	**4,761.52**	**8,214.05**
Equity	6,206.51	7,251.24
Total Capital	**6,206.51**	**7,251.24**
Capital and Net Debt	**10,968.03**	**15,465.29**
Gearing Ratio	**43%**	**53%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

Financial Risk Management Framework

GMP Technical Solutions Private Limited is exposed primarily to credit risk, liquidity risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

i) Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company's exposure to customers is diversified and some customer contributes more than 10% of outstanding accounts receivable as of March 31, 2019 and March 31, 2018, however there was no default on account of those customer in the past. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Before accepting any new customer, the Company uses an external/internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis.
The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

Movement in the expected credit loss allowance:

(Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the period/year	1,228.76	1,194.27
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected	475.66	34.49
Balance at the end of the period/year	1,704.42	1,228.76

ii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro, Singapore Dollar, Great Britain Pound, Japanese Yen against the respective functional currencies of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges these risks by using derivative financial instruments in line with its risk management policies. The information on derivative instruments is as follows.

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

1) Foreign currency exposures hedged by derivatives - Rs. Nil (Previous Year - Rs. Nil)

2) Details of foreign currency exposures that are not hedged by a derivative instrument or otherwise :

(Rs. In Lakhs)

Particulars	Currency	Amount in foreign currency		Equivalent amount (Rs.)	
		For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Trade Payable	EURO	0.09	-	6.98	-
	GBP		0.02	-	1.37
	USD	0.42	0.54	29.32	34.92
Trade Receivables	AED	-	-	-	-
	EURO	1.10	1.99	85.46	160.14
	USD	8.51	11.64	589.92	757.45
Loan Given - GMP Technical Solutions Middle East FZE - (UAE)	AED	-	9.15	-	162.19
Investments - GMP Technical Solutions Middle East FZE - (UAE)	AED	-	1.50	-	24.51

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in USD, EUR , GBP and AED exchange rates, with all other variables held constant, the impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

(Rs. In Lakhs)

For the Period ended	Currency	Change in Rate	Effect on Pre Tax Profit
March 31, 2019	USD	+10%	56.06
	USD	-10%	(56.06)
	EURO	+10%	7.85
	EURO	-10%	(7.85)
	AED	+10%	-
	AED	-10%	-
			-
March 31, 2018	USD	+10%	72.25
	USD	-10%	(72.25)
	EURO	+10%	16.01
	EURO	-10%	(16.01)
	GBP	+10%	0.14
	GBP	-10%	(0.14)
	AED	+10%	18.67
	AED	-10%	(18.67)

In Management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not affect the exposure during the year.

iii) Liquidity Risk

a) Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

b) Maturities of financial liabilities

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

(Rs. In Lakhs)

Particulars	March 31, 2019			March 31, 2018		
	Less than 1 Year	1-3 Years	4-5 Years	Less than 1 Year	1-3 Years	4-5 Years
Financial liabilities						
Trade payables	3,901.24	-	-	4,442.92	-	-
Other Financial Liabilities	33.20	-	-	194.80	-	-
Borrowings	1,312.95	921.90	-	3,088.40	1,066.76	-

Excessive Risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or having economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Company to manage risk concentrations at both the relationship and industry levels.

Deloitte Haskins & Sells LLP Chartered Accountants

GMP Technical Solutions Pvt. Ltd.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 28 - Fair Value
Set out below is the comparison by class of the carrying amounts and fair value of the Company's financials instruments

(Rs. In Lakhs)

Particulars	Carrying amount		Fair Value	
	March 31 2019	March 31 2018	March 31 2019	March 31 2018
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
(a) Non current investment -Subsidiaries	-	24.51	-	24.51
(b) Trade receivable	5,351.87	8,086.27	5,351.87	8,086.27
(c) Loans	934.84	928.56	934.84	928.56
(d) Others	179.14	355.27	179.14	355.27
(e) Cash in hand	4.90	5.83	4.90	5.83
(f) Balance with banks in current account	761.77	273.98	761.77	273.98
(g) Balances with banks in deposit accounts	353.60	1,359.15	353.60	1,359.14
Financial assets measured at fair value through Statement of Profit & Loss	-	-	-	-
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost				
(a) Non Current Borrowing	921.90	1,066.76	921.90	1,066.76
(b) Current Borrowing	1,312.95	3,088.39	1,312.95	3,088.39
(c) Others	33.20	194.80	33.20	194.80
(d) Trade Payable	3,901.24	4,442.92	3,901.24	4,442.86
Financial assets measured at fair value through Statement of Profit & Loss				

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short - term maturities of these instruments. The fair value of the financial assets and liabilities is 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 Company determines fair values of financial assets and financial liabilities by discounting the contractual cash inflows/outflows using prevailing interest rates of financials instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. The fair value of investment is determined using quoted net assets value from the fund. Further, the subsequent measurement of all financial assets and liabilities (other than investment in mutual funds) is at amortised cost, using the effective interest method.

Discount rates used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credit rated instrument.
The Company maintains policies and procedure to value financial assets and financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

Fair value of financial assets and liabilities is 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, regardless of whether that price is directly observable or estimated using another valuation technique.

The following methods and assumptions were used to estimate fair value:

(a) Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.

(b) Security deposits paid are evaluated by the Company based on parameters such as interest rate, non performance risk of the customer. The fair value of the Company's security deposit paid are determined by estimating the incremental borrowing rate of the borrower (primarily the landlords). Such rate has been determined using discount rate that reflects the average interest rate of borrowing taken by similar credit rate companies where the risk of non performance is more than significant.

(c) The fair value of the Company's interest bearing borrowings received are determined using discount rate that reflects the entity's borrowing rate as at the end of the reporting period. The own non performance risk as at the end of the reporting period was assessed to be insignificant.

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 29 - Disclosures under Ind AS 17

(Rs. In Lakhs)

Note	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
29	**Details of leasing arrangements**		
	As Lessee		
	Finance Lease		
29.1	The Company has entered into finance lease arrangements for certain vehicles which provide the Company an option to purchase the assets at the end of the lease period. The average lease term is 5 years (prior Year: 5 Years)		
	Reconciliation of minimum lease payments		
	Future minimum lease payments		
	not later than one year	-	158.87
	later than one year and not later than five years	-	291.12
	later than five years		
		-	449.99
	Less: Unmatured finance charges	-	79.95
		-	370.04
	Present value of minimum lease payments payable		
	not later than one year	-	117.29
	later than one year and not later than five years	-	252.76
	later than five years	-	-
		-	370.05
	Included in the financial statements as:		
	- Current Borrowings	-	117.29
	- Non Current Borrowings	-	252.76
		-	370.05
	Operating Lease		
29.2	The Company has entered into operating lease arrangements for certain facilities and office premises. The leases are non-cancellable and are for a period of 1 to 15 years and may be renewed for a further period of 5 years based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments by 5 to 10% every 2 years.		
	Future Non-Cancellable minimum lease commitments		
	not later than one year	124.01	74.89
	later than one year and not later than five years	180.49	12.63
	later than five years	-	-
		180.49	12.63
	Expenses recognised in the Statement of Profit and Loss	131.68	140.17

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 30 - Employee benefits

(a) Defined Contribution Plan

The Company makes Provident Fund contributions to defined contribution plan administered by the Regional Provident Fund Commissioner. Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. The Company has recognized Rs.1,30,58,165/- for Provident Fund contributions (March 31, 2018 : Rs 13,847,256) and Rs 2,761,461 (March 31, 2018 : Rs 4,266,087) towards ESIC in the Statement of Profit and Loss. The provident fund and ESIC contributions payable by the Company are in accordance with rules framed by the Government from time to time.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Bajaj Allianz through its Gratuity Trust Fund.

Defined benefit plans – as per actuarial valuation on 31st March, 2019

(Rs. In Lakhs)

Particulars	**Funded Plan**	
	Gratuity	
	2019	**2018**
Service Cost		
Current Service Cost	32.84	25.84
Past service cost and (gains)/losses from settlements	-	7.87
Net interest expense	12.74	11.99
Components of defined benefit costs recognised in profit or loss	45.58	45.70
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	6.94	1.32
Actuarial gains and loss arising form changes in financial assumptions	40.68	(25.82)
Actuarial gains and loss arising form experience adjustments	(8.68)	(17.28)
Actuarial gains and loss arising from demographic adjustments	(7.64)	(9.66)
Components of defined benefit costs recognised in other comprehensive income	**31.30**	**(51.44)**
Total	**76.88**	**(5.74)**
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	259.83	192.09
2. Fair value of plan assets as at 31st March	17.33	26.47
3. Surplus/(Deficit)	242.50	165.62
4. Current portion of the above	242.50	165.62
5. Non current portion of the above	17.33	26.47
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	192.09	220.46
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	32.84	33.72
- Past Service Cost	-	-
- Interest Expense (Income)	14.77	15.43
4. Recognised in Other Comprehensive Income	-	-
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	(7.64)	(9.66)
ii. Financial Assumptions	40.68	(25.82)
iii. Experience Adjustments	(8.68)	(17.28)
5. Benefit payments	(4.23)	(24.76)
6. Others (Specify)		
7. Present value of defined benefit obligation at the end of the year	**259.83**	**192.09**

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

III. Change in fair value of assets during the year ended 31st March		
1. Fair value of plan assets at the beginning of the year	26.47	49.11
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account	-	-
- Expected return on plan assets	-	-
4. Recognised in Other Comprehensive Income	-	-
Remeasurement gains / (losses)	-	-
- Actual Return on plan assets in excess of the expected return	(4.91)	2.11
- Others (specify)	-	-
5. Contributions by employer (including benefit payments recoverable)		
6. Benefit payments	(4.23)	(24.76)
7. Fair value of plan assets at the end of the year	**17.33**	**26.46**
IV. The Major categories of plan assets		
- List the plan assets by category here		
V. Actuarial assumptions		
1. Discount rate	7.43%	7.69%
2. Expected rate of return on plan assets	7.69%	7.00%
3. Attrition rate	4%, 2%, 19%, 25%, 45%	4%, 14%, 17%, 22%, 32%

(Rs. In Lakhs)

Maturity Profile of Defined Benefit Obligation:

Year Ending March 31	**Expected Benefit Payment Rounded to the nearest thousand (in Rs.)**
Year 1	40.51
Year 2	36.91
Year 3	34.52
Year 4	30.65
Year 5	27.04
After 5th Year	263.32

Sensitivity analysis for each significant actuarial assumption is required to be given :

(Rs. In Lakhs)

A. Effect of 0.50% change in the assumed discount rate	**0.50% Increase**	**0.50% Decrease**
	March 31, 2019	**March 31, 2019**
Defined Benefit Obligation	253.34	266.72

B. Effect of 1 % change in the assumed Salary Escalation Rate	**1% Increase**	**1% Decrease**
	March 31, 2019	**March 31, 2019**
Defined Benefit Obligation	273.17	247.75

C. Effect of 5 % change in the assumed Attrirtion Rate	**5% Increase**	**5% Decrease**
	March 31, 2019	**March 31, 2019**
Defined Benefit Obligation	257.50	263.57

(Rs. In Lakhs)

VIII. Experience Adjustments :	**Year Ended**	
	2019	**2018**
	Gratuity	
1. Defined Benefit Obligation	(259.83)	(192.09)
2. Fair value of plan assets	17.33	26.47
3. Surplus/(Deficit)	(242.50)	(165.62)
4. Experience adjustment on plan liabilities [(Gain)/Loss]	8.68	17.28
5. Experience adjustment on plan assets [Gain/(Loss)]	(40.68)	25.82

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

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements
Note 31 - Contingent liabilities and commitments (to the extent not provided for) **(Rs. In Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Contingent liabilities :		
(a) Bank/Corporate Guarantees/ Letter of Credit	21,953.07	21,853.40
(b) Contingent Liabilities for Income Tax, Service Tax and others:	-	-
- Income Tax #	31.61	1,170.47
- Sales Tax #	1,097.70	316.30
- Service Tax #	36.04	36.04
- Claims of Vendors not acknowledge as debt #	683.14	172.13
(ii) Other money for which the Company is contingently liable : The Company has imported Goods under the Export Promotion Capital Goods Scheme (EPCG), of the Government of India, at the concessional rates of duty with an obligation to fulfil the specified exports. Failure to meet this export obligation within the stipulated timeframe as per Foreign trade policy would result in payment of the aggregate differential duty saved as mentioned below along with interest there on. The company is confident of meeting the obligation.		
Total export obligation due	29.56	-
Saving in Custom Duty	4.93	-
Total	**23,806.49**	**23,548.34**

Future cash outflow, if any in respect of these matters are determinable only on receipt of judgements /decisions pending at various stages before the appellate authorities. The Management is of the opinion that the matters would be resolved in favour of the Company.

Note 32 - Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act,2006

Based on the information available with the company, there are no suppliers who are registered as Micro, Small and Medium Enterprises under "Micro, Small & Medium Enterprises Development Act 2006" and relied upon by auditors.

HASKINS & SELLS LLP Chartered Accountants DELOITTE

LTD. GMP TECHNICAL SOLUTIONS PVT.

GMP Technical Solutions Private Limited
Notes forming part of the Financial Statements

Note 33 - Significant estimates and assumptions

Estimates and Assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes will be reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amounts sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Defined Benefit Plans (Gratuity Benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publically available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Details about gratuity obligations are given in Note 30.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value target and the discount factor.

The Company has valued its financial instruments through profit & loss which involves significant judgements and estimates such as cash flows for the period for which the instrument is valid, EBITDA of investee company, fair value of share price of the investee company on meeting certain requirements as per the agreement, etc. The determination of the fair value is based on expected discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

DELOITTE HASKINS & SELLS LLP Chartered Accountants

GMP TECHNICAL SOLUTIONS PVT. LTD.

GMP Technical Solutions Private Limited
Notes forming part of the financial statements

Note 34- Related party transactions

(a) (i) Name of the related party and nature of relationship where control exists:

Name of Related Party	Nature of Relationship
Vascon Engineers Limited	Holding Company
GMP Technical Solutions Middle East FZE - United Arab Emirates (UAE)	Subsidiary

(ii) Other related parties with whom there were transactions during the year:

Name of Related Party	Nature of Relationship
Vascon Engineers Limited	Holding Company
Mr. Ajay Mehta - Director	Key Managerial Personnel w.e.f 28th May, 2018

(Rs. In Lakhs)

(b) Related Party Transactions:

Name of the party	Nature of Relationship	Nature of Transaction	Transactions during the year	Amount Outstanding at the end of year	
				Credit	Debit
Vascon Engineers Limited	Holding Company	Sale and Service	87.86	-	-
			(449.52)	-	-
		Interest Expenses	107.90	-	-
			(95.28)	-	-
		Financial Guarantee Commission Income	48.25	-	48.25
			(4.29)	-	-
		Financial Guarantee Commission expense	22.58	20.04	-
			(23.42)	(78.84)	-
		Preference share capital	-	921.90	-
			-	(814.00)	-
		Trade Receivables	-	-	569.47
			-	-	(788.29)
GMP Technical Solutions Middle East FZE - United	Subsidiary	Investment	-	-	24.51
					(24.51)
		Loan provided	-	-	172.24
			-	-	(162.19)
		Interest due on Loan provided	25.77	-	(80.36)
			(33.57)	-	(54.58)
Mr. Ajay Mehta	Key Managerial Personnel w.e.f 28th May, 2018	Remuneration paid	79.28	-	-
			-	-	-
Mr. Prashant Kavale	Key Managerial Personnel up to 22nd August, 2017	Remuneration paid	-	-	-
			(30.83)	(82.92)	-

Notes:
1. Figures in brackets denote previous year amount.
2. Related party relationships are as identified by the Company on the basis of information available and relied upon by the auditors.
3. No amounts has been written off or written back during the year in respect of debts due from or to related party.

35 Transfer Pricing

The Company has 'international transactions with associated enterprises' which are subject to Transfer Pricing regulations in India. These regulations, inter alia, require the maintenance of prescribed documents and information for the basis of establishing arm's length price including furnishing a report from an Accountant within the due date of filing the return of income.

For the fiscal year ended March 31, 2019, the Company has taken necessary steps including conducting a study as required by the regulations and the Accountant's report in this regard is awaited. In the opinion of the management, the transactions are carried out at arm's length and no adjustments is expected to arise thereon.

36 Segment reporting

Information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Company is in the business of Manufacturing of Clean Room Partition, Doors, Pharma certifications, Turnkey Projects and trading business, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment. The accounting policies of the reportable segments are the same as the accounting policies disclosed in Note 2. The revenues, total expenses and net profit as per the Statement of Profit and Loss represents the revenue, total expenses and the net profit of the sole reportable segment.

The Company has disclosed geographical segment as the primary segment. Information regarding segment revenue has been

(Rs. In Lakhs)

Particulars	Year ended March 31,2019		Year ended March 31,2018	
	Within India	Outside India	Within India	Outside India
Segment Revenue	13,328.16	2,850.69	17,206.36	3,120.72

GMP TECHNICAL SOLUTIONS PVT. LTD.

Siddharth V. Moorthy
Director
(DIN : 02504124)

Ajay Mehta
Director
(DIN : 00436908)

Place : Pune
Date : May 28, 2019