



Independent Auditor's Report

To the Members of AXISCADES Aerospace Infrastructure Private Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of AXISCADES Aerospace Infrastructure Private Limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair



view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

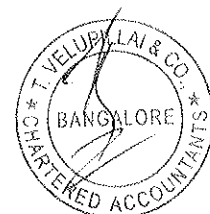
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017 and its loss and its cash flows for the year ended on that date.

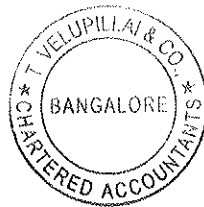
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company does not have any pending litigation which would impact its financial position.
- ii. the Company has did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
- iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer note 11 to the standalone financial statements.

Bengaluru
Date: 26 May 2017



For T. VELUPILLAI & CO
Chartered Accountants
FRN : (004592S)

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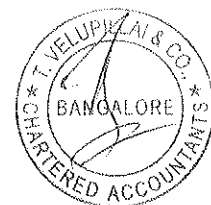
K V Jose
Partner
Membership No : (208207)

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As informed by the management, the company has conducted physical verification of any of its fixed assets at all locations and the process of reconciliation with books of account is in progress.
(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. As the company does not have any inventory during the year under audit, need for commenting on the same does not arise.
3. The company neither granted nor taken any loans, secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 189 of companies act, 2013. Accordingly the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made by it after the commencement of Companies Act 2013.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company.
6. According to the information and explanations provided by the management, the company is not engaged in production, processing, manufacturing or mining activities. Hence, the provisions of Sub section (1) of Section 148 do not apply to the company. Hence, in our opinion, no comment on maintenance of cost records under Sub section (1) of Section 148 is required.
7. (a) According to the records of the Company and information and explanation given to us, the Company is generally regular in remittance of undisputed statutory dues including Income Tax Deducted at Source, Service tax and other statutory dues with the appropriate authorities during the year.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty were outstanding, as at 31st March 2017, for a period more than six months from the date of they become payable. According to the records of the company, there are no



dues of Income Tax, Sales tax, Wealth Tax, Customs Duty, Excise Duty and cess, which have not been deposited on account of any dispute.

8. As per information given to us by the management, the company has not taken any loans or borrowed any amount from financial institutions, banks, government or from debenture holders. Accordingly provisions of paragraph 3(viii) of the order not applicable.
9. According to the records of the company and the information and explanations provided by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, provisions of paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanation given to us, no managerial remuneration has been paid or provided during the year. Therefore provision of Section 197 read with schedule 5 to the Companies Act, 2013 does not applicable
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. In our opinion, all transactions with the related parties are in compliance with section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable accounting standards. Further, in our opinion, the company is not required to constitute audit committee under section 177 of the Act.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Bengaluru

Date: 26-May-2017



For T.VELUPILLAI & CO
Chartered Accountants
FRN : (004592S)

A handwritten signature in black ink, appearing to read "K V Jose".

K V Jose

Partner

Membership No : (208207)

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of AXISCADES Aerospace Infrastructure Private Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

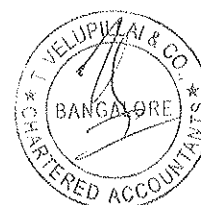
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

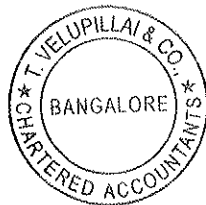
(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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



Bengaluru

Date: 26-May-2017

For T.VELUPILLAI & CO
Chartered Accountants
FRN : (004592S)

A handwritten signature in black ink, appearing to read "K V Jose".

K V Jose
Partner

Membership No : (208207)

BALANCE SHEET

EQUITY AND LIABILITIES
SHAREHOLDERS' FUNDS

Share capital
 Reserves and surplus

Note	As at	As at
	31st March 2017	31st March 2016
	₹	₹
3	4,17,25,330	4,00,00,000
4	68,67,32,508	65,98,34,471
	72,84,57,838	69,98,34,471

CURRENT LIABILITIES

Trade payables
 Total outstanding dues of micro enterprises and small enterprises
 Total outstanding dues of creditors other than micro enterprises and small enterprises
 Other current liabilities

5	-	-
	9,27,906	4,67,628
6	1,200	-
	9,29,106	4,67,628

TOTAL

ASSETS

NON-CURRENT ASSETS

Fixed assets
 Tangible assets
 Capital work-in-progress
 Non current Investments
 Long term loans and advances

7	20,95,63,752	18,01,01,172
8	19,38,14,132	19,38,14,132
9	12,03,00,000	12,03,00,000
10	20,54,77,836	20,57,85,024
	72,91,55,720	70,00,00,328

CURRENT ASSETS

Cash and Bank Balances

11	2,31,224	3,01,771
	2,31,224	3,01,771

TOTAL

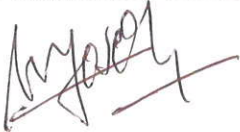
	72,93,86,944	70,03,02,099
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Summary of significant accounting policies and other explanatory information

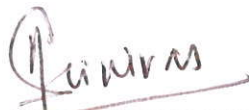
1 to 23

Notes form an integral part of the financial statements.
 This is the Balance Sheet referred to in our report of even date.

As per our report attached
 for T. Velupillai & Co.
 Chartered Accountants
 Firm's Registration Number : 004592S



KV Jose
 Partner
 Membership Number : 208207



Srinivas Anumanchipalli
 Director
 DIN: 05355507



Sharadhi Chandra Babupampapathy
 Director
 DIN: 02809502




Pragya Malav
 Company Secretary
 Membership Number : 42315

Place: Bengaluru
 Date: 26-May-2017



AXISCADES Aerospace Infrastructure Private Limited
(Formerly known as Jupiter Aviation Services Private Limited)
CIN:- U85110KA2000PTC028009

STATEMENT OF PROFIT AND LOSS

	Note	Year ended 31st March 2017 ₹	Year ended 31st March 2016 ₹
INCOME			
Other income	12	71,540	19,57,077
		71,540	19,57,077
EXPENSES			
Employee benefit expenses	13	1,41,394	52,24,190
Other expenses	14	7,52,370	18,33,295
		8,93,764	70,57,485
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION & AMORTISATION (EBITDA)			
		(8,22,224)	(51,00,408)
Finance Costs	15	-	3,21,370
Depreciation and Amortization Expense	16	-	82,883
PROFIT BEFORE TAX		(8,22,224)	(55,04,661)
Tax expense			
Prior period tax		-	-
Deferred tax expense/(credit)		-	-
PROFIT/(LOSS) FOR THE PERIOD		(8,22,224)	(55,04,661)
EARNINGS PER EQUITY SHARE			
Basic & diluted Earning/(Loss) per Share (Par Value ₹ 10)	19	(0.20)	(0.19)

Summary of significant accounting policies and other explanatory information

1 to 23

Notes form an integral part of the financial statements.

This is the Statement of Profit & Loss referred to in our report of even date.

for T. Velupillai & Co.

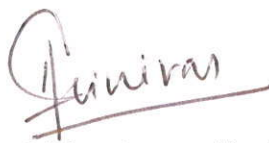
Chartered Accountants

Firm's Registration Number : 0045925



KV Jose
Partner

Membership Number : 208207



Srinivas Anumanchipalli
Director

DIN: 05355507



Sharadhi Chandra Babupampapathy
Director

DIN: 02809502

Place: Bengaluru

Date: 26-May-2017




Pragya Malav
Company Secretary

Membership Number : 42315

Cash Flow Statement

CASH FLOW FROM OPERATING ACTIVITIES

Net Profit/ (Loss) before taxation and extra ordinary items

Adjustments to Reconcile profit before tax to cash provided by operating activities

Depreciation/amortisation

Interest Expenses

Loss due to obsolete asset

Liability No Longer Required

Provision No Longer Required

OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES

Movements in working capital

(Increase)/Decrease in loans and advances

Increase/(Decrease) in trade payables

Increase/(Decrease) in liabilities

CASH GENERATED FROM OPERATIONS

Direct taxes paid

NET CASH GENERATED BY OPERATING ACTIVITIES

CASH FLOW FROM INVESTING ACTIVITIES

Increase/(decrease) in capital work in progress

Acquisition of Fixed Assets

NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES

CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from share allotment (refer note. 3)

Share application money received / (returned)

Interest paid

Proceeds from/(repayment of) borrowings

NET CASH FROM FINANCING ACTIVITIES

NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS


CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR

CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR

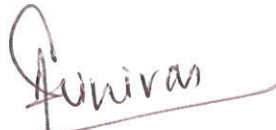
	Year ended 31st March 2017	Year ended 31st March 2016
	₹	₹
Net Profit/ (Loss) before taxation and extra ordinary items	(8,22,224)	(55,04,661)
Adjustments to Reconcile profit before tax to cash provided by operating activities		
Depreciation/amortisation	-	82,883
Interest Expenses	-	3,21,370
Loss due to obsolete asset	-	52,844
Liability No Longer Required	-	(4,622)
Provision No Longer Required	-	(18,69,922)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(8,22,224)	(69,22,108)
Movements in working capital		
(Increase)/Decrease in loans and advances	3,07,188	1,60,86,129
Increase/(Decrease) in trade payables	4,60,278	(14,19,49,053)
Increase/(Decrease) in liabilities	1,200	(31,55,049)
CASH GENERATED FROM OPERATIONS	7,68,666	(12,90,17,972)
Direct taxes paid	-	-
NET CASH GENERATED BY OPERATING ACTIVITIES	(53,557)	(13,59,40,080)
CASH FLOW FROM INVESTING ACTIVITIES		
Increase/(decrease) in capital work in progress	-	(4,50,14,923)
Acquisition of Fixed Assets	(2,94,62,580)	-
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(2,94,62,580)	(4,50,14,923)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from share allotment (refer note. 3)	2,94,45,590	15,49,99,974
Share application money received / (returned)	-	(4,50,575)
Interest paid	-	(3,21,370)
Proceeds from/(repayment of) borrowings	-	2,60,00,000
NET CASH FROM FINANCING ACTIVITIES	2,94,45,590	18,02,28,030
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS	(70,547)	(7,26,973)
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR	3,01,771	10,28,745
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	2,31,224	3,01,771

Notes form an integral part of the financial statements.
This is the Cash Flow Statement referred to in our report of even date.

As per our report attached
for T. Velupillai & Co.
Chartered Accountants
Firm's Registration Number : 004592S



KV Jose
Partner
Membership Number : 208207



Srinivas Anumanchipalli
Director
DIN: 05355507



Sharadhi Chandra Babupampapathy
Director
DIN: 02809502

Place: Bengaluru
Date: 26-May-2017




Pragya Malav
Company Secretary
Membership Number : 42315

**AXISCADES Aerospace Infrastructure Private Limited
(Formerly known as Jupiter Aviation Services Private Limited)**

Notes to Financial Statements for the period ended 31st March 2017(Cont'd)

1 BACKGROUND

The Company was incorporated under the provisions of the Companies Act, 1956 ('the Act') on 23 October 2000. The company is engaged in the development of green field airport project at Hassan, Karnataka and in the development of an Aerospace park at the land allotted in Devanahalli Aerospace Cluster (DAC) at Bangalore, Karnataka. Further, the Company also provides aviation and logistics related consultancy services. With effective from 5th June 2015, the company is known as AXISCADES Aerospace Infrastructure Private Limited. Prior to that company was known as Jupiter Aviation Services Private Limited. Refer detailed note 21 for demerger of one off its airport project.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') and comply with the mandatory Accounting Standards ('AS') prescribed by Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 2013 ('the Act'). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year unless otherwise stated.

(b) Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles, which requires the management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Estimates used by management in the preparation of these financial statements includes the estimates of the employee benefits. Any revision to accounting estimates are recognised prospectively.

(c) Revenue recognition

'Service Revenue' is recognized on a time proportion basis as per terms of contract.

'Interest income' is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of profit and loss.

(d) Fixed assets and depreciation/amortisation

Fixed assets are carried at the cost less accumulated depreciation/amortisation and impairment losses. The cost of fixed assets comprises of its purchase price and other costs attributable to bringing such assets to its working condition for its intended use. Advances paid towards the acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as other non-current assets and the cost of fixed assets not ready for their intended use before such date are disclosed as capital work-in-progress.

Depreciation is provided under the straight-line method based on the estimated useful life of the assets. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed at the rates mentioned below.

Asset category	Estimated Useful Life (Years)
Furniture and fixtures*	7
Computer	3
Vehicles*	5

* For these class of assets, based on internal assessment, the management believes that the useful lives as given above best represents the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of The Companies Act 2013.

Depreciation/amortisation is charged on a proportionate basis for all assets purchased and sold during the year.



AXISCADES Aerospace Infrastructure Private Limited
(Formerly known as Jupiter Aviation Services Private Limited)
Notes to Financial Statements for the period ended 31st March 2017(Cont'd)

(e) Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of profit and loss on a straight-line basis over the lease term.

(f) Investments

Investments that are readily realisable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the long-term investments.

(g) Foreign currency transactions

initial recognition

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

Conversion

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of profit and loss.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(h) Employee benefits

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

Provident fund

The Company contributes to the statutory provident fund of the Regional Provident Fund Commissioner, in accordance with Employees provident fund and Miscellaneous Provision Act, 1952 for its employees in India. The plan is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the employee renders services.

Gratuity

Gratuity is a post employment benefit and is a defined benefit plan for its Indian employees. The liability recognised in the Balance Sheet represents the present value of the defined benefit obligation at the Balance Sheet date, less the fair value of plan assets (if any), together with adjustment for unrecognised actuarial gains or losses and past service cost. Independent actuaries using the Projected Unit Credit Method calculate the defined benefit obligation annually.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are credited or charged to the Statement of profit and loss in the year in which such gains or losses arises.

Compensated absences

The Company has a vacation policy by which employee can carry forward the eligible leaves and avail on a future date. Liability in respect of estimated value of benefit expected to be availed by the employees as at the Balance Sheet date is arrived at on the basis of actuarial valuation.



AXISCADES Aerospace Infrastructure Private Limited
(Formerly known as Jupiter Aviation Services Private Limited)
Notes to Financial Statements for the period ended 31st March 2017(Cont'd)

(i) Income taxes

Current tax

Provision is made for income tax under the tax payable method, based on the liability computed, after taking credit for allowances and exemptions. Minimum Alternative Tax ("MAT") paid in accordance with the tax laws which gives rise to future economic benefits in the form of adjustments of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax. Accordingly, it is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. Tax expenses comprise both current and deferred taxes.

Deferred tax

Deferred tax charge or credit reflects the tax effect of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

(j) Provisions and contingent liabilities

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

(k) Earnings per Share

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

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



AXISCADES Aerospace Infrastructure Private Limited
(Formerly known as Jupiter Aviation Services Private Limited)

Notes to Financial Statements for the period ended 31st March 2017(Cont'd)

3 SHARE CAPITAL	As at 31st March 2017		As at 31st March 2016	
	Number	₹	Number	₹
Equity share capital				
Authorised				
Equity shares of ₹ 10 each	3,00,00,000	30,00,00,000	3,00,00,000	30,00,00,000
	<u>3,00,00,000</u>	<u>30,00,00,000</u>	<u>3,00,00,000</u>	<u>30,00,00,000</u>
Issued, subscribed and paid up				
Equity shares of ₹ 10 each, fully paid up	41,72,533	4,17,25,330	40,00,000	4,00,00,000
	<u>41,72,533</u>	<u>4,17,25,330</u>	<u>40,00,000</u>	<u>4,00,00,000</u>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31st March 2017		As at 31st March 2016	
	Number	₹	Number	₹
At the beginning of the period	40,00,000	4,00,00,000	2,57,14,858	25,71,48,580
Issued during the period	1,72,533	17,25,330	35,47,722	3,54,77,220
Reduction due to scheme of demerger	-	-	(2,52,62,580)	(25,26,25,800)
Outstanding at the end of the period	<u>41,72,533</u>	<u>4,17,25,330</u>	<u>40,00,000</u>	<u>4,00,00,000</u>

During the year 1,72,533 (previous year 35,47,722) shares of ₹ 10 each, premium ₹ 162.43 (Previous year ₹ 33.69) each, are issued to AXISCADES Aerospace & Technologies Pvt. Ltd.

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company and/or their subsidiaries/associates

	As at 31st March 2017		As at 31st March 2016	
	Number	₹	Number	₹
AXISCADES Aerospace and Technologies Private Ltd. (Formerly known as AXISCADES Aerospace & Technologies Ltd.)	41,72,519	4,17,25,190	39,99,986	3,99,99,860
	<u>41,72,519</u>	<u>4,17,25,190</u>	<u>39,99,986</u>	<u>3,99,99,860</u>

(d) Details of shareholders holding more than 5% shares in the company

	As at 31st March 2017		As at 31st March 2016	
	Number	Percentage	Number	Percentage
AXISCADES Aerospace and Technologies Private Ltd. (Formerly known as AXISCADES Aerospace & Technologies Ltd.)	41,72,519	99.996%	39,99,986	99.99%
	<u>41,72,519</u>	<u>99.996%</u>	<u>39,99,986</u>	<u>99.99%</u>

4 RESERVES AND SURPLUS

Reserves

	As at 31st March 2017 ₹	As at 31st March 2016 ₹
Share premium account		
Opening Balance		65,98,34,471
Add: premium on issue of equity shares	2,80,24,535	11,95,22,754
Less: reduction due to scheme of demerger	(3,04,275)	(31,68,24,497)
Less: profit and loss account	-	(8,63,45,398)
Closing balance	<u>68,75,54,731</u>	<u>65,98,34,471</u>

Surplus/(deficit) in the statement of profit and loss

	As at 31st March 2017 ₹	As at 31st March 2016 ₹
Opening Balance	-	(8,08,40,737)
Add: Profit/(Loss) for the year	(8,22,224)	(55,04,661)
Less: Transfer to Security premium as per scheme of demerger	-	8,63,45,398
Closing Balance	<u>(8,22,224)</u>	<u>-</u>
	<u>68,67,32,508</u>	<u>65,98,34,471</u>



AXISCADES Aerospace Infrastructure Private Limited
(Formerly known as Jupiter Aviation Services Private Limited)
Notes to Financial Statements for the period ended 31st March 2017(Cont'd)

5 TRADE PAYABLES

Due to creditors
 Accrued expenses

As at 31st March 2017 ₹	As at 31st March 2016 ₹
8,27,906	3,59,628
1,00,000	1,08,000
9,27,906	4,67,628

6 OTHER CURRENT LIABILITIES

Payables to Employee

As at 31st March 2017 ₹	As at 31st March 2016 ₹
1,200	-
1,200	-



AXISCADES Aerospace Infrastructure Private Limited
(Formerly known as Jupiter Aviation Services Private Limited)
Notes to Financial Statements for the period ended 31st March 2017(Cont'd)

7. FIXED ASSETS

					(in ₹)
	Furniture & Fixtures	Vehicles	Computers	Leasehold Land*	Total
Tangible Asset					
Gross block					
Balance as at 1 April 2015	5,80,007	14,95,839	3,61,273	18,01,01,172	18,25,38,291
Deletion during the year	(5,80,007)	-	-	-	(5,80,007)
Balance as at 31 March 2016	-	14,95,839	3,61,273	18,01,01,172	18,19,53,284
Addition during the year	-	-	-	2,94,62,580	2,94,62,580
Balance as at 31 March 2017	-	14,95,839	3,61,273	20,95,63,752	21,14,20,864
Accumulated depreciation					
Balance as at 1 April 2015	4,44,280	14,95,839	3,61,273	-	23,01,392
Charge for the year	82,883	-	-	-	82,883
Deletions during the year	5,27,163	-	-	-	5,27,163
Balance as at 31 March 2016	-	14,95,839	3,61,273	-	18,57,112
Charge for the year	-	-	-	-	-
Deletion During the year	-	-	-	-	-
Balance as at 31 March 2017	-	14,95,839	3,61,273	-	18,57,112
Net Block					
Balance as at 31 March 2016	-	-	-	18,01,01,172	18,01,01,172
Balance as at 31 March 2017	-	-	-	20,95,63,752	20,95,63,752

* refer note. 18(b)



AXISCADES Aerospace Infrastructure Private Limited
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Notes to Financial Statements for the period ended 31st March 2017(Cont'd)

8 CAPITAL WORK-IN-PROGRESS	As at 31st March 2017 ₹	As at 31st March 2016 ₹
Opening capital work-in-progress	19,38,14,132	74,30,12,471
Additions during the year	17,53,545	4,50,14,923
Less: Demerger of HAP	(17,53,545)	(59,42,13,262)
Closing Capital Work-in-progress *	19,38,14,132	19,38,14,132

* Capital Work-in-progress represents amount spent towards following Devanahalli Aviation Cluster

19,38,14,132	19,38,14,132
19,38,14,132	19,38,14,132

9 NON CURRENT INVESTMENTS	As at 31st March 2017 ₹	As at 31st March 2016 ₹
Non-trade investment(unquoted, valued at cost)		
Investment in company (<i>Refer note 17</i>)	12,03,00,000	12,03,00,000
(6,57,870 equity shares of ₹ 10 each fully paid up in Enertec Controls Limited)		
	12,03,00,000	12,03,00,000



AXISCADES Aerospace Infrastructure Private Limited
(Formerly known as Jupiter Aviation Services Private Limited)
Notes to Financial Statements for the period ended 31st March 2017(Cont'd)

10 LONG TERM LOANS AND ADVANCES	As at 31st March 2017		As at 31st March 2016	
	Long Term	Short term	Long Term	Short term
	₹	₹	₹	₹
Other loans and advances				
<u>Unsecured, considered good</u>				
Advance tax (Net of Provision for tax ₹ Nil) (Previous year ₹ Nil)	97,11,275	-	1,01,12,408	-
Security Deposit	15,000	-	15,000	-
Capital advance (refer note 18b)	19,56,57,616	-	19,56,57,616	-
Deposits/balances with Tax Authorities	93,945	-	-	-
	<u>20,54,77,836</u>	<u>-</u>	<u>20,57,85,024</u>	<u>-</u>
<u>Unsecured, considered doubtful</u>				
Other advances	1,78,38,000	-	1,78,38,000	-
less: provision for doubtful advances	(1,78,38,000)	-	(1,78,38,000)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>20,54,77,836</u>	<u>-</u>	<u>20,57,85,024</u>	<u>-</u>

11 CASH AND BANK BALANCES	As at	As at
	31st March 2017	31st March 2016
	₹	₹
Cash and cash equivalents		
Bank balances in current accounts	2,31,224	3,01,771
	<u>2,31,224</u>	<u>3,01,771</u>

The details of Specified Bank Notes (SBN) held and transacted during the period from 8th Nov 2016 to 30th Dec 2016 as provided in the tabel below

	SBNs	Denomination Notes	Total
Closing Cash in Hand as on 08/11/2016			
(+) Permitted Receipts			
(-) Permitted Payments	NIL	NIL	NIL
(-) Amount Deposited in Banks			
Closing Cash in Hand as on 30/12/2016			



AXISCADES Aerospace Infrastructure Private Limited
(Formerly known as Jupiter Aviation Services Private Limited)
Notes to Financial Statements for the period ended 31st March 2017(Cont'd)

12 OTHER INCOME

	Year ended 31st March 2017 ₹	Year ended 31st March 2016 ₹
Interest Income	71,540	82,533
Liability No Longer Required	-	4,622
Provision No Longer Required	-	18,69,922
	71,540	19,57,077

13 EMPLOYEE BENEFIT

	Year ended 31st March 2017 ₹	Year ended 31st March 2016 ₹
Salaries and wages	1,40,164	47,10,063
Contribution to provident and other funds,	-	1,97,477
Staff welfare expenses	1,230	3,249
Leave encashment	-	3,13,401
	1,41,394	52,24,190

14 OTHER EXPENSES

	Year ended 31st March 2017 ₹	Year ended 31st March 2016 ₹
Travelling and conveyance	15,320	5,57,336
Legal and professional charges	5,55,029	5,71,754
Rates and taxes	60,926	2,92,733
Payments to Auditors (refer note below)	1,12,000	1,20,000
Telephone and Internet	3,170	16,914
Loss due to obsolete of asset	-	52,844
Office Expenses	2,502	30,649
Rent	-	1,78,976
Advertisement expenses	1,200	6,735
Bank Charges	2,223	5,454
	7,52,370	18,33,295

Note on payment to Auditors

Statutory audit fees	1,12,000	1,20,000
	1,12,000	1,20,000

15 FINANCE COSTS

	Year ended 31st March 2017 ₹	Year ended 31st March 2016 ₹
Interest on borrowings (Refer note 17)	-	3,21,370
	-	3,21,370

16 DEPRECIATION AND AMORTISATION EXPENSES

	Year ended 31st March 2017 ₹	Year ended 31st March 2016 ₹
Depreciation	-	82,883
	-	82,883



AXISCADES Aerospace Infrastructure Private Limited
(Formerly known as Jupiter Aviation Services Private Limited)
Notes to Financial Statements for the period ended 31st March 2017(Cont'd)

17 RELATED PARTY DISCLOSURES

The list of related parties are as follows:

<u>Nature of relationship</u>	<u>Name of party</u>
Holding company	AXISCADES Aerospace & Technologies Pvt. Ltd (formerly known as AXISCADES Aerospace & Technologies Ltd)
Subsidiary and Fellow Subsidiary Company	Enertec Controls Limited Indian Aero Infrastructure Pvt Ltd
Key Management Personnel	Srinivas Anumanchipalli (Whole-time director, till 30/06/2015) Nadathur Keshavan Vijayaraghavan (Chief Financial Officer, till 30/09/2015)

<u>Balance as at the year end:</u>		<u>(in ₹)</u>	
<u>Particulars</u>		<u>As at</u> <u>31st March 2017</u>	<u>As at</u> <u>31st March 2016</u>
Non Trade Investment			
Enertec Controls Limited		12,03,00,000	12,03,00,000
		<u>12,03,00,000</u>	<u>12,03,00,000</u>
Other Current liability			
Indian Aero Infrastructure Pvt Ltd		3,24,325	-
		<u>3,24,325</u>	<u>-</u>
Transaction with Related Party			
<u>Nature</u>	<u>Party</u>	<u>Year ended</u> <u>31st March 2017</u>	<u>Year ended</u> <u>31st March 2016</u>
Equity Shares allotted	AXISCADES Aerospace & Technologies Pvt. Ltd	2,97,49,865	3,54,77,220
		<u>2,97,49,865</u>	<u>3,54,77,220</u>
Share Application Money Refunded	AXISCADES Aerospace & Technologies Pvt. Ltd	-	4,50,575
		<u>-</u>	<u>4,50,575</u>
Interest Expenses	Indian Aero Infrastructure Pvt Ltd	-	3,21,370
		<u>-</u>	<u>3,21,370</u>
Other Current liability	Indian Aero Infrastructure Pvt Ltd	3,24,325	-
		<u>3,24,325</u>	<u>-</u>
Amount Recovered	AXISCADES Aerospace & Technologies Pvt. Ltd	-	33,50,000
		<u>-</u>	<u>33,50,000</u>
Remuneration	Srinivas Anumanchipalli (till 30/06/2015)	-	17,90,343
	N.K.Vijayaraghavan (till 30/09/2015)	-	20,76,676
		<u>-</u>	<u>38,67,019</u>
Cross charge of expenses			
Other Expense	Indian Aero Infrastructure Pvt Ltd	3,24,325	-
		<u>3,24,325</u>	<u>-</u>



18 COMMITMENT OR CONTINGENCIES

All known liabilities are provided for in the accounts except liabilities of a contingent nature, which are adequately disclosed in accounts.

Contingent Liability

a) Details of Guarantee Provided:

Party	Bank Name	BG Date	Amount (₹)	Expiry Date
Government of Karnataka	YES Bank Ltd.	27-12-2007	15,00,00,000/-	31-10-2018

Cash margin of equivalent amount has been provided by the group company.

b)Karnataka Industrial Areas Development Board (KIADB) vide letter dated 17/08/2010 has allotted 75 acres of land Bengaluru Aerospace Park, for which the company has paid an advance of ₹ 37,57,68,788/-. The company has a possession of 10 acres of land, accordingly ₹ 18,01,01,172/- has been considered as lease hold land and balance of ₹ 19,56,67,616/- is treated as capital advance which will be adjusted against remaining 65 acres consideration commitment. The full consideration against remaining 65 acres is to be communicated by KIADB.

19 EARNINGS/(LOSS) PER SHARE

	<u>31st March 2017</u>	<u>Year Ended 31st March 2016</u>
Profit/(loss) after tax attributable to equity shares (in ₹)	(8,22,224)	(55,04,661)
Weighted average number of shares outstanding	40,67,122	2,86,29,620
Nominal value of shares (in ₹)	10	10
Basic and diluted earning/(loss) per share (in ₹)	(0.20)	(0.19)

20 There are no dues to Small Scale Industrial Undertakings under the head Current Liabilities. There are no micro , small & medium enterprises to whom the company owes dues which are outstanding for more than 45 days as at the Balance Sheet date. Micro, Small & medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company and the auditors have relied upon this.

21 The Company at its meeting held on 12/06/2015 approved the scheme of arrangement "Scheme" under section 391 to 394 of The Companies Act, 1956 between the company and Indian Aero Infrastructures Private Limited. Where the Hassan Airport Division(HAP) business, conducted through the Company would be demerged into Indian Aero Infrastructure Private Limited with effect from 01/04/2015 the ("Appointed date").

Subsequently the said scheme was sanctioned by the Hon'ble high court of Karnataka vide its order dated August 20,2016 (certified copy of which was received on September 1, 2016). The certified copy of the said order is filed with the Registrar of Companies Bangalore on September 6, 2016 and as such "Scheme" has become effective from that date.

In accordance with Clause 7 of the Scheme, the subscribed and paid-up equity share capital of the Company will be reduced proportionately from the shareholders from ₹ 29,26,25,800/- divided into 2,92,62,580 equity shares of ₹ 10 each fully paid up to ₹ 4,00,00,000/-, divided into 40,00,000 equity shares of ₹ 10 each fully paid.

22 SEGMENT REPORTING

The company is primarily engaged in development of green field projects. Revenue for the current year is nil. The company does not have any geographical or business segment and hence disclosure under Accounting Standard 17 is not applicable.

23 Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year classifications/ disclosures. Figures are rounded off to the nearest rupee wherever necessary.

As per our report attached

for **T. Velupillai & Co.**

Chartered Accountants

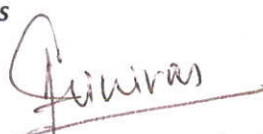
Firm's Registration Number : 0045925



KV Jose

Partner

Membership Number : 208207



Srinivas Anumanchipalli

Director

DIN: 05355507



Sharadhi Chandra Babupampapathy

Director

DIN: 02809502



Pragma Malav

Company Secretary

Membership Number : 42315

Place: Bengaluru

Date: 26-May-2017

