



Satyendra Mundra
Chartered Accountant

AUDITORS' REPORT ON FINANCIAL STATEMENTS

TO THE MEMBERS OF MISTRAL TECHNOLOGIES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of **Mistral Technologies Private Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement, the Statement of Changes in Equity for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended, and other accounting principles generally accepted in India.

The responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the respective assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

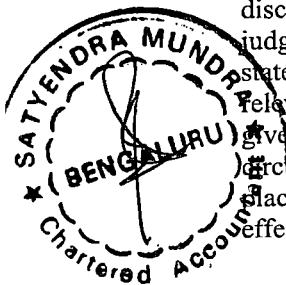
Auditors' Responsibility

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

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 Ind AS financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls.

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An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. 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 relating to preparation have been kept so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

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

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

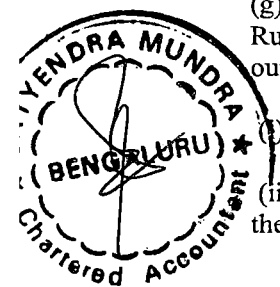
(f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls refer to our separate report in "Annexure-A" and

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

(i) the Company does not have any pending litigations which would impact its financial position.

(ii) the Company did not have any long term contract including derivative contracts for which there were any material foreseeable losses.

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Satyendra Mundra
Chartered Accountant

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

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

CA. Satyendra Mundra

Chartered Accountant
(Membership No. 93516)

Bangalore

25-05-2018

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ANNEXURE A TO THE AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

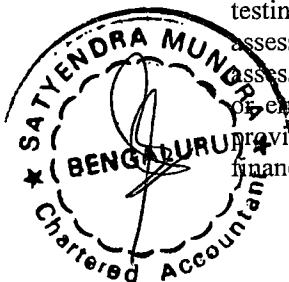
We have audited the internal financial controls over financial reporting of **Mistral Technologies Private Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 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.



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Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Bangalore
25-05-2018

CA. Satyendra Mundra

Chartered Accountant
(Membership No. 93516)

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ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed asset.

2. The Company is primarily engaged in rendering end-to-end services for product design and development in the embedded space. The inventory comprise software imported & received through online mode however not yet billed to customers. The software is downloaded through FTP mode and put to use. There are no physical inventories at the end of the year.

3. The Company has not granted loan to anybody corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

4. In our opinion and as per explanations given to us, The Company has complied with the provisions of Section 185 & 186 of the Companies Act 2013 in respect of grant of loans, making investments and providing guarantees and securities as applicable.

5. The Company has not accepted any deposit from the public.

6. The Central Government has not prescribed maintenance of cost records under Section 148(1) under the Act, for any of the services or products carried on by the company.

7. According to the information and explanations given to us:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Service tax, Income tax, applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax and Value Added Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

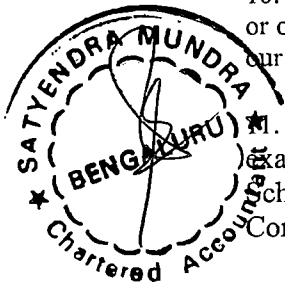
8. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

9. The Company has not raised any money by way of an initial public offer or further public offer. Accordingly, paragraph 3(ix) of the Order not applicable.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit

11. According to the information and explanations give to us and based on our examination of the records of the Company, the provisions of section 197 read with Schedule V to the Act, with respect to managerial remuneration is not applicable to the Company. Accordingly, paragraph 3(xi) of the Order not applicable.

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Satyendra Mundra
Chartered Accountant

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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. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in financial statements as required by the applicable accounting standards. Section 177 of the Act dealing with Audit committee is not applicable to the Company.

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.

CA. Satyendra Mundra

Chartered Accountant
(Membership No. 93516)

Bangalore
25-05-2018

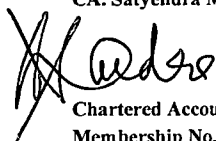
Mistral Technologies Private Limited
Balance Sheet

As at	Note	31 March 2018	31 March 2017	01 April 2016
I. ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	2	121,510	-	-
(b) Deferred tax asset, (net)		578,880	-	-
(c) Income tax assets, (net)		-	72,611	22,944
Total non-current assets		700,390	72,611	22,944
(2) Current assets				
(a) Inventories	3	2,169,093	-	-
(b) Financial assets				
(i) Investments	4	7,010,199	-	-
(ii) Trade receivables	5	27,062,196	14,119,961	25,900,124
(iii) Cash and cash equivalents	6	3,452,327	4,165,864	284,606
(iv) Bank balances other than (iv) above	6	-	-	908,246
(v) Loans	7	17,500,000	-	-
(c) Other current assets	8	1,119,369	43,892	13,711
Total current assets		58,313,184	18,329,717	27,106,687
Total assets		59,013,574	18,402,328	27,129,631
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	9	100,000	100,000	100,000
(b) Other equity	10	39,861,852	15,731,366	9,234,805
Equity attributable to equity holders of the parent		39,961,852	15,831,366	9,334,805
Non-controlling interests		-	-	-
Total equity		39,961,852	15,831,366	9,334,805
Liabilities				
(1) Non-current liabilities				
(a) Provisions	11	1,973,635	-	-
Total Non-current liabilities		1,973,635	-	-
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings		-	-	-
(ii) Trade payables	12	11,677,487	1,326,487	16,920,565
(iii) Other financial liabilities	13	2,209,368	472,075	452,075
(b) Other current liabilities	14	1,044,413	103,123	422,186
(c) Provisions	15	179,134	250,000	-
(d) Current tax liabilities, (net)		1,967,685	419,277	-
Total Current liabilities		17,078,087	2,570,962	17,794,826
Total liabilities		19,051,722	2,570,962	17,794,826
Total equity and liabilities		59,013,574	18,402,328	27,129,631
Significant accounting policies	1	-	-	-

See accompanying notes to financial statements

As per our report of even date attached

CA. Satyendra Mundra



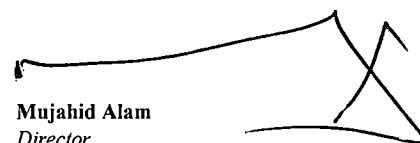
Chartered Accountant
Membership No. 93516

for and on behalf of the Board of Directors of
Mistral Technologies Private Limited



Rajeev Ramachandra
Director

DIN:



Mujahid Alam
Director

DIN: 02651595

Place: Bengaluru
Date: 25 May 2018

Place: Bengaluru
Date: 25 May 2018

Mistral Technologies Private Limited
Statement of Profit and Loss


For the period ended	Note	31 March 2018	31 March 2017
I. Revenue			
Revenue from operations	16	100,863,682	31,918,332
		100,863,682	31,918,332
II. Other income	17	1,335,715	724,600
III. Total Income (I+II)		102,199,397	32,642,932
IV. Expenses			
Cost of materials consumed		-	-
Excise duty		-	-
Purchase of stock-in-trade	18	59,034,567	20,123,145
Changes in inventories of finished goods, stock-in-trade and work-in-progress	19	(2,169,093)	-
Employee benefits expense	20	8,404,434	-
Finance costs		-	-
Depreciation and amortisation expense	2	64,740	-
Other expenses	21	3,968,430	3,272,893
Total Expenses		69,303,078	23,396,038
V. Profit before tax (III-IV)		32,896,318	9,246,894
VI. Tax expense			
(i) Current tax		9,445,939	2,800,000
(ii) Deferred Tax		(578,880)	(49,667)
		8,867,059	2,750,333
VII. Profit for the period (V-VI)		24,029,260	6,496,561
VIII. Other comprehensive income			
<i>Items that will not be reclassified subsequently to statement of profit or loss:</i>			
Remeasurements of the net defined benefit liability / asset		136,369	-
Income tax relating to items not to be reclassified subsequently to statement of profit or loss		(35,142)	-
<i>Items that will be reclassified subsequently to profit or loss:</i>			
Foreign currency translation reserve		-	-
Other comprehensive income, net of tax		101,227	-
IX. Total comprehensive income for the year (VII+VIII)		23,928,033	6,496,561
Profit attributable to:			
Owners of the company		24,029,260	-
Non-controlling interest		-	6,496,561
Profit for the period		24,029,260	6,496,561
Other comprehensive income attributable to:			
Owners of the Company		-	-
Non controlling interests, if any		-	-
Other comprehensive income for the year		-	-
Total comprehensive income attributable to:			
Owners of the company		23,928,033	6,496,561
Non controlling interests		-	-
Total comprehensive income for the year		23,928,033	6,496,561
Earnings per share (nominal value of Rs 5 each)			
Attributable to equity holders of the Company			
Basic [in Rs]		1,196.40	324.83
Diluted [in Rs]		1,196.40	324.83
Weighted average number of equity shares used in computing earning per share			
-Basic		20,000	20,000
-Diluted		20,000	20,000

Significant accounting policies

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See accompanying notes to financial statements
As per our report of even date attached

CA. Satyendra Mundra

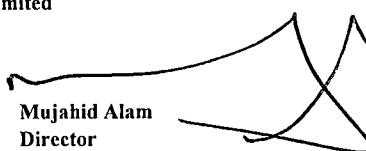

Chartered Accountant
Membership No. 93516

Place: Bengaluru
Date: 25 May 2018

for and on behalf of the Board of Directors of
Mistral Technologies Private Limited


Rajeev Ramachandra
Director
DIN:

Place: Bengaluru
Date: 25 May 2018


Mujahid Alam
Director
DIN: 02651595

MISTRAL TECHNOLOGIES PRIVATE LIMITED

CASH FLOW STATEMENT


	Amount In Rs.	
	For the year ended 31 March 2018	For the year ended 31 March 2017
A. Cash flow from operating activities		
Profit/(loss) for the year before tax	32,896,318	9,246,894
Adjustments for:		
Depreciation and amortization	64,740	-
Interest expense	-	-
Dividend income	(72,822)	-
Investment & Interest Income	(1,146,109)	(28,566)
Profit on sale of investments	-	-
Effect of exchange differences on translation of foreign currency cash and cash equivalents	-	-
Operating profit/(loss) before working capital changes	31,742,127	9,218,328
Changes in assets and liabilities		
Trade receivables	(12,942,235)	11,780,163
Inventories	(2,169,093)	-
Loans and advances and other assets	(18,575,477)	(79,848)
Liabilities and provisions (current and non-current)	14,932,352	(15,593,474)
Cash generated from operations	12,987,674	5,325,169
Income tax paid (net of refunds)	(7,824,920)	(2,380,723)
Net cash provided by/(used in) operating activities	5,162,754	2,944,446
B. Cash flow from investing activities		
Purchase of fixed assets	(186,250)	-
Redemption of/(investment in) fixed deposits / Mutual Funds	(7,010,199)	908,246
Dividend received	72,822	-
Investment & Interest Income	1,146,109	28,566.00
Net cash provided by/(used in) investing activities	(5,977,518)	936,812
C. Cash flow from financing activities		
Repayment of long term loans	-	-
(Repayment of)/proceeds from short term loans, net	-	-
Interest paid	-	-
Net cash (used in)/generated from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	(814,764)	3,881,258
Cash and cash equivalents at the beginning of the year	4,165,864	284,606
Cash and cash equivalents at the end of the year	3,351,100	4,165,864

Significant accounting policies

The accompanying notes form an integral part of financial statements.

As per our report of even date attached

CA. Satyendra Mundra



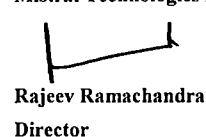
Chartered Accountant
Membership No. 93516

Place: Bangalore

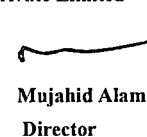
Date: 25 May 2018

For and on the behalf of Board of Directors of

Mistral Technologies Private Limited



Rajeev Ramachandra
Director



Mujahid Alam
Director

Place: Bangalore

Date: 25 May 2018

Mistral Technologies Private Limited
Statement of changes in equity


Particulars	Equity share capital	Total equity attributable to equity holders of the Company	
		Retained earnings	
Balance as at 1 April 2016	100,000	9,234,805	9,334,805
Changes in equity for the year ended 31 March 2016	-	-	-
Transfer to general reserve	-	-	-
Profit for the year	-	6,496,561	6,496,561
Balance as at 31 March 2017	100,000	15,731,366	15,831,366

Particulars	Equity share capital	Total equity attributable to equity holders of the Company	
		Retained earnings	
Balance as at 1 April 2017	100,000	15,731,366	15,831,366
Changes in equity for the year ended 31 March 2017	-	-	-
Profit for the year	-	24,029,260	24,029,260
Balance as at 31 March 2018	100,000	39,760,626	39,860,626


See accompanying notes to financial statements

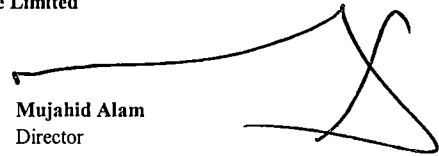
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Membership No. 93516

for and on behalf of the Board of Directors of
Mistral Technologies Private Limited


Rajeev Ramachandra
Director
DIN:


Mujahid Alam
Director
DIN: 02651595

Place: Bengaluru
Date: 25 May 2018

Place : Bengaluru
Date: 25 May 2018

Mistral Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2018
1. Significant accounting policies

1.1 Background

Mistral Technologies Private Limited ('Mistral Technologies' or 'the Company') was incorporated on 17 July 2014 as a private limited company under the Companies Act, 1956. The Company is primarily engaged in rendering end-to-end services for product design and development in the embedded space. Mistral Technologies offers design and development services covering hardware and software, customizable product designs and IPs, system integration and other solutions that improve quality and accelerate time-to-market for a broad range of embedded systems.

1.2 Basis of preparation of financial statements

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended 31 March 2016 were prepared in accordance with the Companies (Accounting Standard) Rules, 2006, notified under section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First time adoption of Indian Accounting Standards has been applied.

1.3 Use of estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

1.4 Measurement of Fair Values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

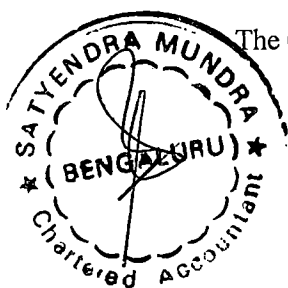
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

1.5 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost comprises purchase price and all incidental expenses incurred in bringing the inventory to its present location and condition. The method of determination of cost is as follows:

- Traded goods - on a first in first out method

The Company periodically assesses the inventory for obsolescence and slow moving stocks.



Mistral Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2018
1. Significant accounting policies (continued)

1.6 Financial Instruments

The Group initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

1.7 Fixed assets

i) Property, plant and equipment

Property, plant and equipment are stated at the cost of acquisition or construction less accumulated depreciation. The cost of property, plant and equipment includes freight, duties, taxes and other incidental expenses relating to the acquisition and installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Advance paid towards the acquisition of Property, plant and equipment outstanding at each balance sheet date are shown under capital advances. The cost of property, plant and equipment not ready for their intended use before such date, are disclosed as capital work- in-progress.

ii) Intangible assets

Acquired intangible assets are capitalised at the acquisition price. Internally generated intangible assets are stated at cost that can be measured reliably during the development phase and when it is probable that future economic benefits that are attributable to the assets will flow to the Company

1.8 Depreciation and amortisation

Depreciation on Computer systems is provided as per the written down value (WDV) method over the useful lives of assets estimated by the Management. Depreciation for assets purchased/sold during the year is proportionately charged. Intangible assets are amortized on written down value method over their respective individual estimated useful lives commencing from the date the asset is available to the Company for its use. The Management estimates the useful lives for Computer systems 6 years.

* For these Computer systems, based on internal assessment, the Management believes that the useful lives as given above best represent the period over which the 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.

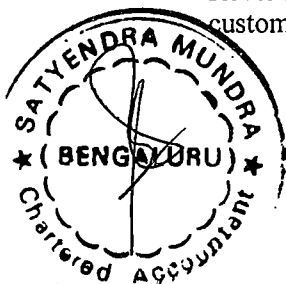
1.9 Revenue recognition

The Company derives its revenue primarily from system engineering sales and services.

Revenue from system engineering sales is recognised on the transfer of all significant risks and rewards of ownership to the buyer.

Maintenance revenue is recognized ratably over the period of the maintenance contract.

Revenues are stated net of discounts, sales tax, service tax and include expenses billed to the customers at a mark-up.



Mistral Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2018
1. Significant accounting policies (continued)

1.10 Investment

Investments are either classified as current or long term based on Management's intention at the time of purchase/ investment.

Current investments are valued at the lower of cost or market value carried out individually for each investment.

Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment.

Long-term investments are valued at cost less provision for diminution, other than temporary, to recognise any decline in the value of such investments. Such an assessment is carried out individually for each investment.

Cost of overseas investment comprises the Indian Rupee equivalent of the consideration paid for the investment translated at the exchange rate prevalent at the date of the investment.

1.11 Employee benefits

Gratuity, which is a defined benefit, is accrued based on an actuarial valuation at the balance sheet date, carried out by an independent actuary using projected unit credit method. Actuarial gains and losses are recognised in the statement of profit and loss.

Compensated absence, which is a defined benefit, is accrued based on an actuarial valuation at the balance sheet date, carried out by an independent actuary using projected unit credit method.

Contributions payable to the recognized provident fund, which is a defined contribution, are charged to the statement of profit and loss on an accrual basis.

1.12 Foreign currency transactions

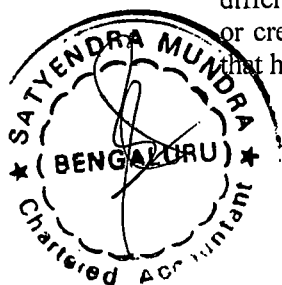
Foreign currency transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the year.

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

Non-monetary assets and non-monetary liabilities denominated in a foreign currency are translated at the exchange rate prevalent at the date of transaction.

1.13 Taxes on income

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the year). 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.



Mistral Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2018
1. Significant accounting policies (continued)

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 an unabsorbed depreciation or carry-forward losses 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 as at the 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.

The Company off sets on a year on year basis, current tax assets and liabilities where it has a legally enforceable rights to set off and where the Management intends to settle such assets and liabilities on a net basis.

1.14 Provisions and contingent liabilities

Provision is recognised when, as a result of obligating events, there is a present obligation that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

No provision or disclosure is made when, as a result of obligating events, there is a possible obligation or a present obligation where the likelihood of an outflow of resources is remote.

1.15 Earning per share (EPS)

The basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

1.16 Cash and cash equivalents

Cash and cash equivalents comprise cash and balances with banks.

1.17 Cash flow statement

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



Mistral Technologies Private Limited
Notes on financial statements

Note 2. Property Plant and Equipment and capital work in progress

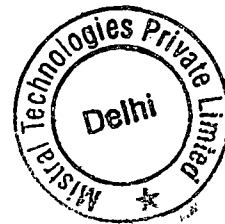
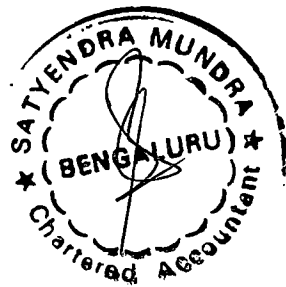
Description	Gross carrying an		
	As at 1 Apr 2017	Exchange difference	Additions during the year
Property, plant and equipment, own			
Plant and equipment	-		-
Furniture and fixtures	-		-
Vehicles	-		-
Office equipment	-		-
Computer system	-		186,250
Test equipment	-		-
Leasehold improvements	-		-
Leasehold land	-		-
	-	-	186,250
Add: Capital work-in-progress	-		
	-		



Mistral Technologies Private Limited
Notes on financial statements

Amount in Rupees

As at	31 March 2018	31 March 2017	01 April 2016
Note 3 - Inventories			
Raw material /components [including goods-in-transit]	-	-	-
Work-in-progress	-	-	-
Finished goods	-	-	-
Traded goods	2,169,093	-	-
	<u>2,169,093</u>	<u>-</u>	<u>-</u>
Refer note 1.5 for method of valuation of inventories			
Note 4 - Investments			
At fair value through profit or loss			
<u>Quoted</u>			
Investment in mutual funds	7,010,199	-	-
	<u>7,010,199</u>	<u>-</u>	<u>-</u>
Note 5 - Trade receivables			
Unsecured			
<i>Considered good</i>	27,062,196	14,119,961	25,900,124
<i>Considered doubtful</i>	-	-	-
	<u>27,062,196</u>	<u>14,119,961</u>	<u>25,900,124</u>
Less: Allowance for doubtful receivables	-	-	-
	<u>27,062,196</u>	<u>14,119,961</u>	<u>25,900,124</u>
Note 6 - Cash and bank balances			
Cash and cash equivalents			
- Cash on hand	-	-	-
- Cheques on hand	-	-	-
- Current accounts	3,452,327	4,165,864	284,606
	<u>3,452,327</u>	<u>4,165,864</u>	<u>284,606</u>
Other bank balances			
-Cash credit account	-	-	-
-Deposit accounts	-	-	908,246
	<u>-</u>	<u>-</u>	<u>908,246</u>
Note 7 - Loans			
Current			
Intercompany Deposit	17,500,000	-	-
	<u>17,500,000</u>	<u>-</u>	<u>-</u>
Note 8 - Other current assets			
Unsecured, considered good			
Balance with government authorities	-	28,602	-
Prepaid expenses	13,832	14,830	13,711
Advance for supply of goods	-	460	-
Other receivables	1,105,537	-	-
	<u>1,119,369</u>	<u>43,892</u>	<u>13,711</u>



As at	31 March 2018	31 March 2017	01 April 2016
Note 9 - Share capital			
Authorised			
Equity shares	100,000	100,000	100,000
[20,000 equity shares of Rs 5/- each (31 March 2017: 20,000 equity shares of Rs 5/- each), (01 April 2016: 20,000 equity shares of Rs 5/- each)]			
Issued, subscribed and paid up			
Equity shares fully paid up	100,000	100,000	100,000
[20,000 equity shares of Rs 5/- each (31 March 2017: 20,000 equity shares of Rs 5/- each), (01 April 2016: 20,000 equity shares of Rs 5/- each)]*			
* Of the total fully paid up equity shares: 20,000 of Rs 5/- each (31 March 2017 - 20,000, 01 April 2016 - 20,000) are held by the Mistral Solutions Private Limited, the holding company			
	100,000	100,000	100,000

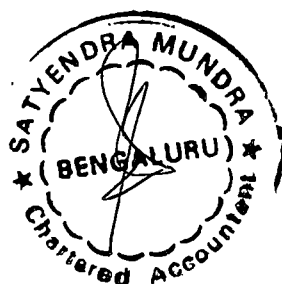
Notes:

(a) Shares in respect of equity in the Company held by its holding Company.

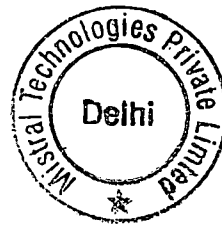
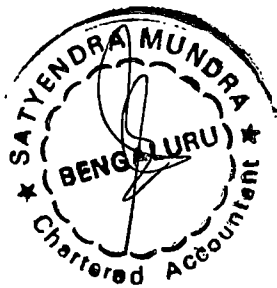
	31 March 2018		31 March 2017		01 April 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Holding Company						
Mistral Solutions Private Limited	20,000	100,000	20,000	100,000	20,000	100,000
	20,000	100,000	20,000	100,000	20,000	100,000

Note 10 - Other equity

	Capital redemption reserve	Securities premium	Share options outstanding account	Foreign currency translation reserve	Other Comprehensive Income	Retained earnings	Total
Balance as at 01 April 2016	-	-	-	-	-	9,234,805	9,234,805
Additions							
Net profit after tax transferred from the statement of profit or loss	-	-	-	-	-	6,496,561	6,496,561
	-	-	-	-	-	15,731,366	15,731,366
Deductions							
Transfer to general reserve	-	-	-	-	-	-	-
Balance as at 31 March 2017	-	-	-	-	-	15,731,366	15,731,366
Balance as at 01 April 2017	-	-	-	-	-	15,731,366	15,731,366
Additions							
Remeasurement of net defined benefit liability/asset, net of tax effect	-	-	-	-	101,227	-	101,227
Net profit after tax transferred from the statement of profit or loss	-	-	-	-	-	24,029,260	24,029,260
	-	-	-	-	101,227	39,760,626	39,861,852
Deductions							
Transfer to general reserve	-	-	-	-	-	-	-
Balance as at 31 March 2018	-	-	-	-	101,227	39,760,626	39,861,852



As at	31 March 2018	31 March 2017	01 April 2016
Note 11 - Provisions			
Employee defined benefits liability			
- Gratuity	1,786,472	-	-
- Compensated absences	187,163	-	-
	<u>1,973,635</u>	<u>-</u>	<u>-</u>
Note 12 - Trade payables			
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of other than micro and small enterprises	11,677,488	1,326,487	16,920,565
	<u>11,677,488</u>	<u>1,326,487</u>	<u>16,920,565</u>
Note 13 - Other financial liabilities			
Other liabilities	35,000	-	-
Dues to employees	1,987,678	-	-
Accrued expenses	186,690	472,075	452,075
	<u>2,209,368</u>	<u>472,075</u>	<u>452,075</u>
Note 14 - Other current liabilities			
Statutory liabilities (TDS, GST and PF)	1,044,413	103,123	422,186
	<u>1,044,413</u>	<u>103,123</u>	<u>422,186</u>
Note 15 - Provisions			
Employee defined benefits liability			
- Gratuity	144,522	-	-
Provision for liquidated damages	34,612	250,000	-
	<u>179,134</u>	<u>250,000</u>	<u>-</u>



Mistral Technologies Private Limited
Notes on financial statements

For the year ended	31 March 2018	31 Mar 2017
Note 16 - Revenue from operations		
Product Sales		
Sale of Products		
System engineering and traded sales	81,907,061	30,563,352
Sale of Services		
Professional engineering services	11,947,896	-
Annual maintenance contract	7,008,725	1,354,980
	<u>100,863,682</u>	<u>31,918,332</u>
Note 17 - Other income		
Interest income from financial assets carried at amortised cost	1,073,287	28,566
Provision no longer required, written back	189,606	-
Foreign exchange gain (net)	-	696,034
Dividend income	72,822	-
	<u>1,335,715</u>	<u>724,600</u>
Note 18 - Purchase of stock-in-trade		
Purchase	53,271,407	19,220,431
Cost of annual maintenance contracts	5,763,160	902,714
	<u>59,034,567</u>	<u>20,123,145</u>
Note 19 - Changes in inventories of finished goods, work-in- progress and stock-in-trade		
Opening inventory		
Finished Goods	-	-
Stock-in-trade	-	-
Work-in-progress	-	-
Closing inventory		
Finished Goods	-	-
Stock-in-trade	(2,169,093)	-
Work-in-progress	-	-
(Increase)/Decrease in inventory	<u>(2,169,093)</u>	<u>-</u>
Note 20 - Employee benefits expense		
Salaries, wages and bonus	7,190,880	-
Contribution to provident and other funds	1,203,224	-
Staff welfare expense	10,330	-
	<u>8,404,434</u>	<u>-</u>
Note 21 - Other expenses		
Rent	2,280,000	2,413,687
Power and fuel	14,700	-
Travelling and conveyance	23,722	-
Legal and professional charges	365,600	111,500
Repairs and maintenance		
- Plant and machinery	-	-
- Others	324,485	272,502
Communication expenses	31,642	-
Rates and taxes	3,200	90,220
Advertisement and business promotion	-	25,000
Provision for foreseeable loss on contracts	-	250,000
Bank charges	122,013	73,908
Net loss on foreign currency transaction and translation	738,159	-
Miscellaneous expenses	64,909	36,076
	<u>3,968,430</u>	<u>3,272,893</u>



Note 22 - Financial instruments - fair values and risk management

Amount in Rupees

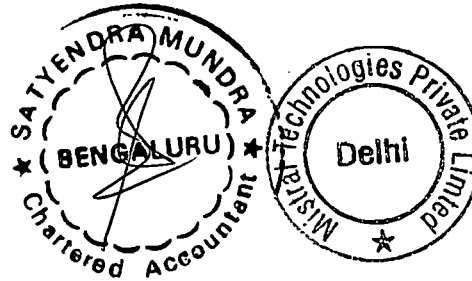
Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2018, including their levels in the fair value hierarchy.

Particulars	Note	Carrying amount				Total carrying amount	Fair value			Total
		FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities		Level 1	Level 2	Level 3	
Financial assets measured at fair value										
Investment in mutual funds	4	7,010,199	-	-	-	7,010,199	7,010,499	-	-	7,010,499
		<u>7,010,199</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,010,199</u>				
Financial assets not measured at fair value										
Loans	7	-	-	17,500,000	-	17,500,000				
Other financial assets	8	-	-	-	-	-				
Trade receivables	5	-	-	27,062,196	-	27,062,196				
Cash and cash equivalents	6	-	-	3,452,327	-	3,452,327				
Bank balances	6	-	-	-	-	-				
		<u>-</u>	<u>-</u>	<u>48,014,523</u>	<u>-</u>	<u>48,014,523</u>				
Financial liabilities not measured at fair value										
Trade payables	13	-	-	-	11,677,487	11,677,487				
Other financial liabilities	14	-	-	-	2,209,368	2,209,368				
		<u>-</u>	<u>-</u>	<u>-</u>	<u>13,886,855</u>	<u>13,886,855</u>				

The fair value of cash and cash equivalents, bank balances, trade receivables, loans, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximate fair value.

Investments in liquid and short-term mutual funds which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.



MISTRAL TECHNOLOGIES PRIVATE LIMITED

Notes forming part of Accounts as at March 31, 2018

Particulars	Amount in Rs.	
	For the year ended 31 March 2018	For the year ended 31 March 2017

Note 23

Explanation of Transition to IndAS

Consequent to the Company becoming a deemed public company during the year, MTPL has prepared its first financial statements in accordance with IndAS. For the year ended 31 March 2016 it had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2018 including the comparative information for the year ended 31 March 2017 and the opening Ind AS balance sheet on the date of transition i.e. 1 April 2016.

In preparing its Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2017, the Company has adjusted amounts reported previously in consolidated financial statements prepared in accordance with previous GAAP.

Note 24

Auditors' remuneration

(Included in legal and professional fees)

Statutory audit fees	35,000	35,000
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Note 25

CIF Value of Imports

Purchase of stock in trade	47,460,258	19,210,830
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Note 26

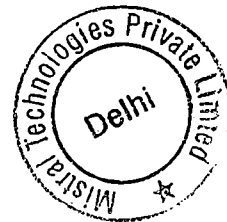
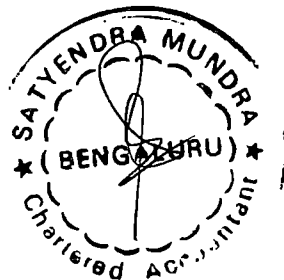
Expenditure in Foreign Currency

Cost of services procured	5,763,160	902,714
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Note 27

Earnings in Foreign Currency

	11,947,896	Nil
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Note 28**Deferred taxes**

The deferred tax asset included in the balance sheet comprises:

Amounts in Rs

Particulars	As at	As at
	31 March 2018	31 March 2017
Excess of depreciation as per books over depreciation allowed under Income Tax Act, 1961	(-)13,078	Nil
Provision for employee benefits	589,078	Nil
Deferred tax assets, net	576,000	Nil

Note 29**Related party transactions:**

a) List of Related Parties

1. Mistral Solutions Private Ltd. – Holding Company
2. Mistral Solution Inc. United States – Associate Company
3. Aero Electronics Private Ltd. – Associate Company

Amount in Rs.

Particulars	As at	As at
	31 March 2018	31 March 2017

b) List of Key managerial personnel as defined under Accounting Standard (AS) 18: Related party disclosure:

Directors:-

1. Rajeev Ramachandra
2. Mujahid Alam

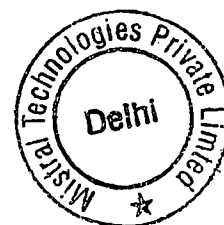
c) The list of amount due to or due from related party:

Trade receivable:

- Mistral Solutions Private Limited	Nil	Nil
- Mistral Solutions Inc, USA	6,109,765	1,695,459

Other receivables

- Mistral Solutions Private Limited	1,105,537	Nil
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d) Maximum Amount outstanding during the year

Trade Receivable

- Mistral Solutions Private Limited Nil 11,015,009

Trade Payables

- Mistral Solutions Inc, USA 15,862,080 15,264,850

Trade Payables

- Mistral Solutions Private Limited Nil 156,750

e) The following are significant transactions with related parties by the Company:

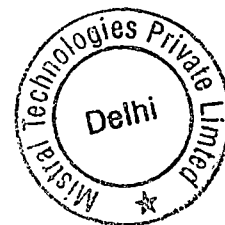
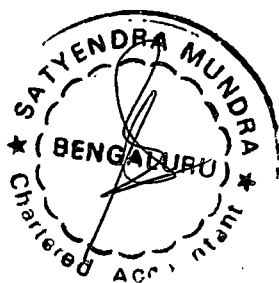
Particulars	Amount in Rs.	
	For the year ended	For the year ended
	31 March 2018	31 March 2017
Income		
Sale of services		
- Mistral Solutions Inc, USA	11,947,896	Nil
- Mistral Solutions Private Limited	2,542,883	Nil
Purchase of traded goods		
- Mistral Solutions Inc, USA	Nil	(1,725,791)
- Mistral Solutions Private Limited	3,235,328	Nil
Other Income		
- Mistral Solutions Private Limited	100,000	Nil

Note 30

Details of inter- corporate loans given:

a) Terms and conditions on which inter-corporate loans have been given

Party Name	Nature of relationship	Interest rate	Repayment terms	Purpose
Valdel Infratech Private Limited	Corporate	10.0%	1 year	Inter-corporate deposits



b) Details of loan given and repaid during the year:

Particulars	As at 31 Mar 2017	Amount given during the year (including accrued interest)	Repaid during the year	As at 31 Mar 2018
Valdel Infratech Private Limited	Nil	1,75,0000	Nil	1,75,0000
Total	Nil	1,75,0000	Nil	1,75,0000

c) Details of loan given and repaid during the previous year:

Particulars	As at 31 Mar 2016	Amount given during the year (including accrued interest)	Repaid during the year	As at 31 Mar 2017
Valdel Projects Private Limited	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

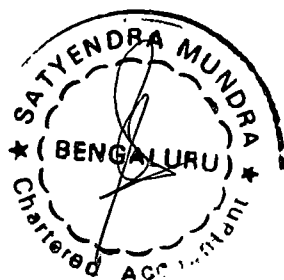
Note 31

Details of current investments purchased and sold during the year:

Non trade investments (at lower of cost or market value)

Amounts in Rs

Particulars	As at 31 Mar 2017	Purchased during the year	Sold during the year	As at 31 March 2018
Invesco India Liquid Fund - Direct Plan Daily Dividend	Nil	19,000,000	12,000,000	7,000,000
Total	Nil	19,000,000	12,000,000	7,000,000



Details of current investments purchased and sold during the previous year

Amounts in Rs

Particulars	As at 31 Mar 2016	Purchased during the year	Sold during the year	As at 31 Mar 2017
Invesco India Liquid Fund - Direct Plan Daily Dividend	Nil	Nil	Nil	-
Total	Nil	Nil	Nil	-

CA. Satyendra Mundra


Chartered Accountant,
Membership No.93516

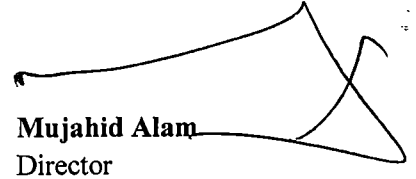
Place: Bangalore
Date : 25-MAY-2018



for Mistral Technologies Private Limited


Rajeev Ramachandra
Director

Place : Bangalore
Date : 25-MAY-2018


Mujahid Alam
Director

