

**AURIONPRO  
SOLUTIONS (AFRICA)  
LTD**

**MANAGEMENT ACCOUNTS  
F.Y.2017-18**



**BAJRANG PARAS & CO.**  
Chartered Accountants

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**Report on Restated Financial Statements**

To,  
The Board of Directors of Aurionpro Solutions Limited

We have reviewed the restatements, attached restated Standalone Indian Accounting standards (Ind AS) financial statement of **Aurionpro Solutions (Africa) Ltd** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income) and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Ind AS Financial Statements**

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

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

**Auditor's Responsibility**

We conducted our review in accordance with the Ind AS which require that we plan and perform our review to obtain reasonable assurance whether the Restatement of financial statements are prepared, in all material respects, in accordance with the identified financial reporting framework and are free of material misstatements.

We have relied upon the financial statements which have been duly prepared by the management of the Company, i.e. Balance Sheet as on 31 March 2018 and the Statement of Profit and Loss for the year ended 31 March 2018


**Opinion**

Based on above, and to the best of our information and according to the explanations given to us, we are in opinion that reviewed financial statements of the Overseas auditor, are restated so as to give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS:

- (a) In the case of the Restated Balance sheet, of the state of affairs of the Company, as at 31 March 2018;
- (b) In the case of the Restated Profit and Loss account (including Other Comprehensive Income) and the Statement of Changes in Equity for the year then ended.

**For Bajrang Paras & Co.**

Chartered Accountants  
Firm Reg. No. 118663W

  
Hitesh Solanki  
Partner  
Membership No. 136487

Place: - Mumbai  
Date: - 26 May 2018

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**Head Office: - B-303 Riddhi Siddhi Complex, Near ST Bus Depot, MG Road, Borivali (East) Mumbai – 400 066.**  
**Tel.: + 91 22 28914748 / 28914749. Website: - www.cabajrang.com**

**AURIONPRO SOLUTIONS (Africa) Ltd**  
**Balance Sheet as at 31 March 2018**

(Amt in INR)

	Note	31-Mar-18	31-Mar-17
<b>ASSETS</b>			
<b>Non-current assets</b>			
- Property, plant and equipment	3	14,906	20,252
- Financial assets		-	-
Income tax assets	4	1,278,484	204,360
<b>Current assets</b>			
<b>Financial Assets</b>			
- Trade receivables	5	18,931,460	1,458,909
- Cash and cash equivalents	6	15,315,805	12,819,655
- Loans	7	379,682	-
<b>TOTAL</b>		<b>35,920,338</b>	<b>14,503,176</b>
<b>EQUITY</b>			
Equity Share capital	8	1,292,947	1,326,000
Other Equity	9	6,696,456	1,357,069
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
		-	-
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
- Borrowings		-	-
- Trade payables	10	25,654,770	9,862,916
- Other financial liabilities	11	819,134	-
Current Tax Liabilities (net)	12	1,457,030	1,957,191
<b>TOTAL</b>		<b>35,920,338</b>	<b>14,503,176</b>
<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	2		

As per our report attached

**For Bajrang Paras & Co.**  
Chartered Accountants  
Firm Regn. No. 118663W

**For and on behalf of Board**

**Hitesh Solanki**  
Partner  
Membership No. :136487

**Director**

Mumbai, May 24, 2018

**AURIONPRO SOLUTIONS (Africa) Ltd**  
**Statement of Profit & Loss for the year ended 31 March 2018**

(Amt in INR)

	Note	31-Mar-18	31-Mar-17
Revenue from operations	13	36,577,523	16,006,792
Other income	14	29,221	1,253
<b>TOTAL REVENUE</b>		<b>36,606,744</b>	<b>16,008,045</b>
Expenses:			
Operating expenses	15	28,433,200	13,699,718
Employee benefits expenses	16	2,216,778	-
Depreciation and amortisation expense	3	4,390	2,354
Other expenses	17	606,398	147,549
<b>TOTAL EXPENSES</b>		<b>31,260,767</b>	<b>13,849,621</b>
<b>PROFIT BEFORE TAX</b>		<b>5,345,977</b>	<b>2,158,424</b>
Tax expense:			
(a) Current tax		-	647,527
<b>PROFIT AFTER TAX</b>		<b>5,345,977</b>	<b>1,510,897</b>
Other Comprehensive Income / (Loss)		-	-
<b>Total Comprehensive Income</b>		<b>5,345,977</b>	<b>1,510,897</b>

As per our report attached

**For Bajrang Paras & Co.**  
Chartered Accountants  
Firm Regn. No. 118663W

**For and on behalf of Board**

**Hitesh Solanki**  
Partner  
Membership No. :136487

**Director**

Mumbai, May 24,2018

AURIONPRO SOLUTIONS (Africa) Ltd

Statement of Changes in Equity for the year ended March 31, 2018

(Amt in INR)

Particulars	Attributable to the equity holders of the parent			
	Equity Share Capital	Retained Earnings	FCTR	Total
Balance as at April 01, 2016	-	(162,175)	-	(162,175)
Surplus of Statement of Profit and Loss	-	1,510,897	-	1,510,897
Foreign exchange variance	-	-	8,347	8,347
Additions during the year	1,326,000	-	-	-
Balance as at March 31, 2017	1,326,000	1,348,722	8,347	2,683,069
Surplus of Statement of Profit and Loss	-	5,345,977	-	5,345,977
Foreign exchange variance	(33,053)	-	(6,590)	(39,643)
<b>Balance as at March 31, 2018</b>	<b>1,292,947</b>	<b>6,696,456</b>	<b>1,757</b>	<b>7,989,403</b>

As per our report attached

**For Bajrang Paras & Co.**

Chartered Accountants

Firm Regn. No. 118663W

**For and on behalf of Board**

**Hitesh Solanki**

Partner

Membership No. :136487

**Director**

Mumbai, May 24,2018

## AURIONPRO SOLUTIONS (Africa) Ltd.

### Significant Accounting Policies

#### 1. General Information

AURIONPRO SOLUTIONS (Africa) Ltd. (the "Company") was incorporated in South Africa, as Limited Liability Company. Its registered office is at LR 1870/1/24, Eldama Park, 2<sup>nd</sup> Floor, Block mara 3, Peponi Road, West Lands, PO Box 45900100, Nairobi, South Africa.

#### 2. Accounting Policies

##### (i) Basis of Preparation of Financial Statements

The financial statements are prepared under historical cost convention in accordance with generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under section 133 to the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015 as notified/ amended by Ministry of Corporate Affairs, Government of India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out under Ind AS and in the Schedule III to the Act. Based on the nature of the services and their realisation in Cash and Cash Equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

Financial Statements have been prepared on a going concern basis and financial support as may be required, shall be extended by associates and / or parent company.

##### (ii) Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

##### (iii) Revenue recognition

Revenue from software development and consulting services is recognized either on time and material basis or fixed price basis, as the case may be. Revenue on time and material contracts is recognized as and when the related services are performed. Revenue on fixed price contracts is recognized on the percentage of completion method under which the sales value of performance, including earnings thereon, is recognised on the basis of cost incurred in respect of each contract as a proportion of total cost expected to be incurred.

Revenue from sale of licenses of software products and other products/ equipment is recognised on transfer of title to the customer. Maintenance revenue in respect of software products and other products/ equipment is recognised on pro rata basis over the period of the underlying maintenance agreement. Revenue is net of discounts/ price incentives which are estimated and accounted based on the terms of the contracts.

Unbilled receivables represent costs incurred and revenues recognised on contracts to be billed in subsequent periods as per the terms of the contract.

Income received in advance represents contractual billings/money received in excess of revenue recognised as per the terms of the contract.

##### (iv) Property, Plant and Equipment

Property plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment losses if any. Cost includes expenditure directly attributable to the acquisition of the asset and cost incurred for bringing the asset to its present location and condition for its intended use.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

## AURIONPRO SOLUTIONS (Africa) Ltd.

### Significant Accounting Policies

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress" and are stated at cost.

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life.

The residual values, useful lives and method of depreciation of PPE is reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **(v) Intangible assets**

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Amortisation is provided on a pro-rata basis on the straight line method based on estimated useful life.

The residual values, useful lives and method of depreciation of Intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **(vi) Current and Deferred Taxes**

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognized, using the liability method, for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. However, where there is unabsorbed depreciation or carry forward loss, the deferred tax asset is recognised and carried forward only to the extent that it is probable that the assets will be realised in future. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax asset if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

#### **(vii) Earnings per share (EPS)**

In determining Earnings per Share, the Company considers net profit after tax and includes post tax effect of any exceptional item. Number of shares used in computing basic earnings per share is the weighted average number of the shares, excluding the shares owned by the Trust, outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when result will be anti - dilutive. Dilutive potential equity Shares are deemed converted as at the beginning of the period, unless issued at a later date.

#### **(viii) Provisions, contingent liabilities and contingent assets**

The Company creates a provision where there is 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 or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are disclosed only when an inflow of economic benefit is probable.



## AURIONPRO SOLUTIONS (Africa) Ltd.

### Significant Accounting Policies

#### (ix) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

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

#### (a) Financial assets at amortised cost

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

#### (b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (c) Financial assets at fair value through profit or loss (FVTPL)

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts.

#### (d) Investment in subsidiaries, associates and joint venture

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

#### (e) Financial liabilities

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### (f) Derecognition of financial instruments

The Company derecognizes a financial liability (or a part of a financial liability) from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### (x) Cash and Cash Equivalents

Cash and cash equivalents comprise cash and bank balances including Fixed Deposits with Banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.



**AURIONPRO SOLUTIONS (Africa) Ltd****Note 3. Property, Plant and Equipment**

(Amt in INR)

<b>Particulars</b>	<b>Gross Carrying value</b>	<b>Accumulated Depreciation</b>	<b>Net Block</b>
<b>Office Equipments</b>			
As at April 01, 2016	-	-	-
Additions/ (Deductions)	21,551	2,256	19,296
FCTR	956	-	956
Balance as at March 31, 2017	22,508	2,256	20,252
Additions/ (Deductions)	-	4,390	(4,390)
FCTR	(956)	-	(956)
<b>Balance as at March 31, 2018</b>	<b>21,551</b>	<b>6,646</b>	<b>14,906</b>

**AURIONPRO SOLUTIONS (Africa) Ltd**  
Notes annexed to and forming part of the accounts for the quarter ended 31 March 2018

	(Amt in INR)	
	31-Mar-18	31-Mar-17
<b>NON - CURRENT ASSETS</b>	-	-
 <b>NOTE 4 :- INCOME TAX ASSETS</b>		
Advance Tax paid	1,278,484	204,360
	<b>1,278,484</b>	<b>204,360</b>
 <b>CURRENT ASSETS</b>		
 <b>NOTE 5 :- TRADE RECEIVABLE</b>		
Considered Good	18,931,460	1,458,909
	<b>18,931,460</b>	<b>1,458,909</b>
 <b>NOTE 6 :- CASH AND CASH EQUIVALENTS</b>		
Balance with Bank	15,315,805	12,819,655
	<b>15,315,805</b>	<b>12,819,655</b>
 <b>NOTE 7 :- SHORT-TERM LOANS AND ADVANCES</b>		
Loans and advances to employees	441	-
Others advances	379,242	-
	<b>379,682</b>	-
 <b>NOTE 8 :- EQUITY SHARE CAPITAL</b>		
Shares owned by Aurionpro Holdings Pte Ltd.	647,817	663,000
Shares owned by Others	645,129	663,000
	<b>1,292,947</b>	<b>1,326,000</b>
 <b>NOTE 9 :- OTHER EQUITY</b>		
Foreign Exchange Translation Reserve	1,757	8,347
 <b>Profit and Loss Account</b>		
As per Last Balance Sheet	1,348,722	(162,175)
Addition during the year	5,345,977	1,510,897
	<b>6,696,456</b>	<b>1,357,069</b>
 <b>NOTE 10 :- TRADE PAYABLES :</b>		
Due to Others	25,654,770	9,862,916
	<b>25,654,770</b>	<b>9,862,916</b>
 <b>NOTE 11 :- OTHER FINANCIAL LIABILITIES :</b>		
Salary Payable	598,169	
Provision for Expenses	220,966	
	<b>819,134</b>	-
 <b>NOTE 12 :- Current Tax Liabilities (net)</b>		
Provision for Tax	715,331	651,105
VAT Payable	741,699	1,306,086
	<b>1,457,030</b>	<b>1,957,191</b>

**AURIONPRO SOLUTIONS (Africa) Ltd**

Notes annexed to and forming part of the accounts for the quarter ended 31 March 2018

(Amt in INR)

Particulars	31-Mar-18	31-Mar-17
<b>NOTE 13 :- REVENUE FROM OPERATIONS</b>		
Software Products & Services	36,577,523	16,006,792
	<b>36,577,523</b>	<b>16,006,792</b>
<b>NOTE 14 :- OTHER INCOME</b>		
Interest income on		
- Others	29,221	1,253
	<b>29,221</b>	<b>1,253</b>
<b>NOTE 15 :- OPERATING EXPENSES</b>		
Software, hardware and material cost	28,433,200	13,699,718
	<b>28,433,200</b>	<b>13,699,718</b>
<b>NOTE 16 :- EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, wages and bonus	2,216,778	-
	<b>2,216,778</b>	-
<b>NOTE 17 :- OTHER EXPENSES</b>		
Bank charges	5,982	31,759
Communication expenses	12,346	2,091
Rent	145,628	-
Foreign Currency Translation / Fluctuation Loss	-	80,552
Printing and stationery	506	-
Travelling expenses	428,413	32,959
Rates and Taxes	13,522	188
	<b>606,398</b>	<b>147,549</b>

**18 Related Party Disclosure**

**i) List of Related Parties**

<b>Name of Related Party</b>	<b>Relationship</b>
Aurionpro Solutions Limited	Ultimate Holding Company
Aurionpro Holdings Pte Ltd.	Holding Company

**ii) Transaction with Related Parties & Outstanding Balance as on March 31, 2018**

(Amt in INR)

<b>Particulars</b>	<b>31-Mar-18</b>
<b>Operating expenses</b>	
Aurionpro Solutions Limited	27,957,463
<b>Trade Payable</b>	
Aurionpro Solutions Limited	25,616,663

The previous year figures have been regrouped / restated to the extent possible to confirm to current year presentation.

As per our report of even date.

**For Bajrang Paras & Co.**  
Chartered Accountants  
Firm Regn. No. 118663W

**For and on behalf of Board**

Hitesh Solanki  
Partner  
Membership No. :136487

Director

Mumbai, May 24,2018