

INTELLVISIONS SOFTWARE LLC

F.Y.2017-18

BAJRANG PARAS & CO.
CHARTERED ACCOUNTANTS

B-303, Riddhi Siddhi Complex, Near ST Bus Depot,
MG Road, Borivali (East) Mumbai- 400 066.



BAJRANG PARAS & CO.
Chartered Accountants

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 **Intellvisions Software L.L.C, UAE** ("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 audited by **Coast Accounting & Auditing** (Overseas Auditors) duly qualified to act as an auditor in the country of incorporation of the Company, as at and 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

INTELLVISIONS SOFTWARE LLC
Balance Sheet as at 31 March 2018

(Amt in INR)

	Note	31-Mar-18	31-Mar-17
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,016,779	89,070
Financial assets		-	-
Current assets			
Inventories	14	16,225,809	19,682,653
Financial Assets			
- Trade receivables	4	151,875,070	156,490,428
- Cash and cash equivalents	5	10,557,383	5,264,830
Other Current Assets	6	58,341,733	71,848,314
TOTAL		239,016,773	253,375,294
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	7	5,294,610	5,298,000
Other Equity	8	206,571,762	189,816,106
LIABILITIES			
Non-current liabilities			
		-	-
Current liabilities			
Financial liabilities			
- Trade payables	9	7,695,701	5,283,451
Other Current liabilities	10	19,454,701	52,977,737
TOTAL		239,016,773	253,375,294
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	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, 24 May 2018

INTELLVISIONS SOFTWARE LLC

Statement of Profit & Loss for the year ended 31 March 2018

(Amt in INR)

	Note	31-Mar-18	31-Mar-17
Revenue from operations	11	128,568,689	273,480,505
Other income	12	4,006,379	-
TOTAL REVENUE		132,575,068	273,480,505
Expenses:			
Operating expenses	13	72,192,990	91,894,343
stock-in-trade	14	3,409,380	(19,682,653)
Employee benefits expenses	15	13,653,618	24,977,632
Finance costs		-	-
Depreciation and amortisation expense	3	9,115	2,927
Other expenses	16	22,526,992	16,712,443
TOTAL EXPENSES		111,792,095	113,904,692
PROFIT BEFORE TAX		20,782,973	159,575,813
Tax expense		-	-
PROFIT AFTER TAX		20,782,973	159,575,813
Other Comprehensive Income		-	-
Total Comprehensive Income		20,782,973	159,575,813
Earnings per equity share	17		
-Basic		6,927.66	53,191.94
-Diluted		6,927.66	53,191.94
NOTES FORMING PART OF THE FINANCIAL STATEMENTS			

As per our report attached

For Bajrang Paras & Co.

Chartered Accountants

Firm Regn. No. 118663W

Hitesh Solanki

Partner

Membership No. :136487

Mumbai, 24 May 2018

For and on behalf of Board

Director

INTELLVISIONS SOFTWARE LLC**Statement of Changes in Equity for the year ended 31st March 2018**

(Amt in INR)

	Equity share Capital	Securities Premium Reserve	FCTR	Retained Earnings	Total Equity
Balance as at April 1, 2016	5,409,000	2,704,500	465,864	25,282,887	33,862,251
Profit for the year	-	-	-	159,575,813	159,575,813
Foreign exchange variance	(111,000)	-	(5,043,245)	-	(5,154,245)
Balance as at March 31, 2017	5,298,000	2,704,500	(4,577,380)	191,688,986	195,114,106
Profit for the year	-	-	-	20,782,972	20,782,972
Foreign exchange variance	(3,390)	-	(4,027,316)	-	(4,030,706)
Balance as at March 31, 2018	5,294,610	2,704,500	(8,604,697)	212,471,958	211,866,372

As per our report attached

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

For and on behalf of the Board of Directors

Hitesh Solanki
Partner
Membership No.: 136487

Director

Place : Mumbai
Date : 24 May 2018

INTELLVISIONS SOFTWARE LLC

Notes to the financial statements for the year ended March 31, 2018

Significant Accounting Policies and Notes to Accounts

1. General Information

Intellvisions software L.L.C. (the "Company") was incorporated in Dubai, UAE as Limited Liability Company. Its registered office is at P.O. Box 114513, Dubai - U.A.E.

2. Accounting Policy

(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.

INTELLVISIONS SOFTWARE LLC

Notes to the financial statements for the year ended March 31, 2018

(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.

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

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Notes to the financial statements for the year ended March 31, 2018

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.

(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

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Notes to the financial statements for the year ended March 31, 2018

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.

INTELLIVISIONS SOFTWARE LLC

Notes Annexed To And Forming Part Of The Accounts For The Year Ended 31 March 2018

NOTE 3 :- PROPERTY, PLANT AND EQUIPMENT

(Amt in INR)

	Gross Carrying Value			Accumulated Depreciation				Net Block
	Balance as at April 1, 2017	Additions	Balance as at March 31 2018	Balance as at April 1, 2017	Depreciation for the year	other adjustment	Balance as at March 31 2018	Balance as at March 31 2018
Computer	139,733	-	139,733	139,733	-	-	139,733	-
Office equipment	12,603	1,840,482	1,853,085	12,603	-	-	12,253	1,840,832
Furniture	91,832	96,406	188,238	2,762	9,115	414	12,291	175,947
Total	244,167	1,936,888	2,181,055	155,098	9,115	414	164,276	2,016,779

	Gross Carrying Value			Accumulated Depreciation				Net Block
	Balance as at April 1, 2016	Additions/ (Disposals)	Balance as at March 31 2017	Balance as at April 1, 2016	Depreciation for the year	other adjustment	Balance as at March 31 2017	Balance as at March 31 2017
Computer	139,733	-	139,733	139,733	-	-	139,733	-
Office equipment	12,603	-	12,603	12,603	-	-	12,603	-
Furniture	-	91,832	91,832	-	2,927	(165)	2,762	89,070
Total	152,335	91,832	244,167	152,335	2,927	(165)	155,097	89,070

INTELLVISIONS SOFTWARE LLC

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

	(Amt in INR)	
	31-Mar-18	31-Mar-17
NOTE 4 :- TRADE RECEIVABLE		
Considered good	151,875,070	156,490,428
	<u>151,875,070</u>	<u>156,490,428</u>
NOTE 5 :- CASH AND CASH EQUIVALENTS		
Cash on Hand	109,074	181,701
Balance with Bank	10,448,309	5,083,129
	<u>10,557,383</u>	<u>5,264,830</u>
NOTE 6 :- OTHER CURRENT ASSETS		
Advances to employees	249,906	1,122,806
Loans and advances to suppliers	7,573,996	12,298,451
Security deposit	648,696	407,946
Prepaid expenses	-	261,691
Loans and advances to Subsidiaries	49,869,137	57,757,420
	<u>58,341,733</u>	<u>71,848,314</u>
NOTE 7 :- EQUITY SHARE CAPITAL		
Equity Share Capital		
Aurionpro Solutions Limited	2,594,359	2,596,020
Mr. Juma Abdulla Sultana A bumaid Al Muhairi	2,700,251	2,701,980
	<u>5,294,610</u>	<u>5,298,000</u>
NOTE 8 :- OTHER EQUITY		
Statutory reserves	2,704,500	2,704,500
FCTR	(8,604,697)	(4,577,380)
Profit and Loss Account		
As per Last Balance Sheet	191,688,986	32,113,174
Addition during the year	20,782,973	159,575,813
	<u>212,471,959</u>	<u>191,688,986</u>
	<u>206,571,762</u>	<u>189,816,106</u>
NOTE 9 :- TRADE PAYABLES		
Due to Others	7,695,701	5,283,451
	<u>7,695,701</u>	<u>5,283,451</u>
NOTE 10 :- OTHER CURRENT LIABILITIES		
Advance received from customers	4,979,654	20,258,036
Provision for Gratuity	1,190,069	1,127,891
Income received in advance	12,453,802	-
Payable to tax authorities	831,175	-
Other Liabilities	-	31,591,810
	<u>19,454,701</u>	<u>52,977,737</u>

INTELLVISIONS SOFTWARE LLC

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

Particulars	31-Mar-18	31-Mar-17
(Amt in INR)		
NOTE 11 :- REVENUE FROM OPERATIONS		
Software Products & Services	128,568,689	273,480,505
	128,568,689	273,480,505
NOTE 12 :- OTHER INCOME		
Foreign Currency Translation / Fluctuation Gain	4,006,379	-
	4,006,379	-
NOTE 13 :- OPERATING EXPENSES		
Software, hardware and material cost	72,192,990	91,894,343
	72,192,990	91,894,343
NOTE 14 :- Change in inventories of raw material, finished goods and stock-in-trade		
Opening stock	19,635,189	-
Less: Closing stock	16,225,809	19,682,653
	3,409,380	(19,682,653)
NOTE 15 :- EMPLOYEE BENEFIT EXPENSES		
Salaries, wages and bonus	13,481,811	24,421,667
Contributions to provident and other funds	68,168	-
Staff welfare expenses	103,639	555,965
	13,653,618	24,977,632
NOTE 16 :- OTHER EXPENSES		
Payment to auditors	350,568	-
Bank charges	-	124,101
Bad debts	340,983	-
Communication expenses	504,279	362,448
Rent	3,223,196	3,077,942
Legal and professional fees	2,696,619	328,535
Printing and Stationery Expenses	34,675	-
Business promotion expenses	6,980,902	3,361,547
Travelling expenses	5,539,364	6,497,672
Insurance	1,425,225	914,388
Repairs and maintenance	193,074	105,220
Commission and brokerage	93,689	660,097
Miscellaneous Expenses	1,144,418	1,280,494
	22,526,992	16,712,443

INTELLVISIONS SOFTWARE LLC

Notes to the financial statements for the year ended March 31, 2018

NOTE 1 EARNINGS PER SHARE (EPS)

(Amt in INR)

Particulars	31-Mar-18	31-Mar-17
Profit/(Loss) attributable to Equity Shareholders	20,782,973	159,575,813
Weighted average number of Basic and Diluted Equity Shares	3,000	3,000
Basic and Diluted Earnings per Share of Rs. 1000 each	6,927.66	53,191.94

NOTE 1 RELATED PARTIES**A) List of Related Parties**

Name of Related Party	Relationship
Aurionpro Solutions Limited	Holding Company
Aurionpro Fintech Inc. Cyberinc Corporation Aurionpro Solutions SPC. Bahrain Integro Technologies Pte. Ltd.	Fellow Subsidiary

B) Transactions with Related Parties

Nature of Transactions	Rs. in lakhs	
	Holding Company	Fellow Subsidiaries
1 For the year ended March 31, 2018		
(i) Revenue from Operation	100.70	-
(ii) Operating expenses	145.84	224.09
2 As at March 31, 2018		
(i) Receivables	573.91	1,388.62

Note 19

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

The accompanying notes form an integral part of the financial statements

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, 24 May 2018