

**INDEPENDENT AUDITOR'S REPORT**  
**To The Members of RAMKRISHNA AERONAUTICS PRIVATE LIMITED**

**Report on the Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **RAMKRISHNA AERONAUTICS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows 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 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 the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

**Auditor's Responsibility**

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

We conducted our audit of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone 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 standalone 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 standalone 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, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements


1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed 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, none of the directors is 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 the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses.
  - iii. There are no such amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

For **ARSK & ASSOCIATES**  
Chartered Accountants  
Firm's Reg. No. : 315082E



  
CA. S.K. Maheshwari  
Partner  
Membership No. 054049

Place: Kolkata  
Date: May 22, 2018

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of RAMKRISHNA AERONAUTICS PRIVATE LIMITED of even date)

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

We have audited the internal financial controls over financial reporting of RAMKRISHNA AERONAUTICS PRIVATE LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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, 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.

**Auditor's Responsibility**

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

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

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



### Meaning of Internal Financial Controls Over Financial Reporting

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

### Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

For ARSK & ASSOCIATES  
Chartered Accountants  
Firm's Reg. No. : 315082E



CA. S.K. Maheshwari  
Partner  
Membership No. 054049

Place: Kolkata  
Date: May 22, 2018

**Annexure – B to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of the **RAMKRISHNA AERONAUTICS PRIVATE LIMITED** on the standalone Ind AS financial statements for the year ended 31st March 2018.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. The company did not have any fixed asset at any time during the year. Hence, clauses of paragraph 3(i)(a) to 3(i)(c) of the Companies (Auditor's Report) Order, 2016 are not applicable.
2. The Company did not have any inventory at any time during the year hence paragraph 3(ii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
3. According to the information and explanation given to us & in our opinion, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly paragraph 3(iii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
4. The Company has not granted any loans falling under section 185 of the Act. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments and provided guarantee falling under section 186 of the Act.
5. The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
7. (a) According to the information and explanations given to us and the books and records examined by us, the company is regular in depositing with the appropriate authorities the undisputed statutory dues relating to Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues as applicable to it have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Service Tax, Cess and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of Income tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues as applicable to it, which have not been deposited with the appropriate authorities on account of any dispute.



8. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
9. In our opinion and according to the information and explanation given to us, the Company has not raised money by way of initial public offer or further public offer and term loans during the year. Accordingly, paragraph 3(ix) of the Companies (Auditor's Report) Order, 2016 is not applicable.
10. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid or provided for managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Companies (Auditor's Report) Order, 2016 is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. 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 any transactions with the related parties during the year. Accordingly, paragraph 3(xiii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
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. In our opinion and as per information and explanation provided the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **ARSK & ASSOCIATES**  
Chartered Accountants  
Firm's Reg. No. : 315082E



CA. S.K. Maheshwari  
Partner  
Membership No. 054049

**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**  
**(Formerly : RAMKRISHNA AVIATION LAND SYSTEMS MARITIME PRIVATE LIMITED)**  
**Balance Sheet as at 31st March, 2018**

(Amount in '00)

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017
<b>I. ASSETS</b>			
<b>1 Current assets</b>			
a) Financial assets			
(i) Cash and Cash equivalents	2	6,953.34	7,101.02
<b>Total Current Assets</b>		<b>6,953.34</b>	<b>7,101.02</b>
<b>Total Assets</b>		<b>6,953.34</b>	<b>7,101.02</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
a) Equity Share Capital	3	10,000.20	10,000.20
b) Other Equity	4	(3,553.96)	(3,110.96)
<b>Total Equity</b>		<b>6,446.24</b>	<b>6,889.24</b>
<b>2 Current liabilities</b>			
a) <b>Financial liabilities</b>			
(i) Other Financial Liabilities	5	507.10	211.78
<b>Total current liabilities</b>		<b>507.10</b>	<b>211.78</b>
<b>Total Equity and Liabilities</b>		<b>6,953.34</b>	<b>7,101.02</b>
Significant Accounting Policies	1		

The accompanying notes are an integral part of these financial statements  
As per our attached report on even date

For **ARSK & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 315082E

CA. S K Maheshwari  
Partner  
Membership No. 054049



For and on behalf of the board of directors

**RAMKRISHNA AERONAUTICS PVT. LTD.**  
*Masulibabu*  
**Director**

Place : Kolkata  
Date **22 MAY 2018**

**RAMKRISHNA AERONAUTICS PVT. LTD.**  
*N. P. Jeyap*  
**Director**



**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**  
**(Formerly : RAMKRISHNA AVIATION LAND SYSTEMS MARITIME PRIVATE LIMITED)**  
**Statement of Profit and Loss Account for the year ended 31st March, 2018**

(Amount in '00)

Particulars	Notes	For the year ended 31st March, 2018	For the period ended 31st March, 2017
<b>INCOME</b>			
(a) Revenue from operations		-	-
<b>I Total income</b>		-	-
<b>EXPENSES</b>			
(a) Preliminary expenses written off		-	2,899.18
(b) Other expenses	6	443.00	211.78
<b>II Total expenses</b>		<b>443.00</b>	<b>3,110.96</b>
<b>III Profit/(Loss) before tax</b>		<b>(443.00)</b>	<b>(3,110.96)</b>
<b>IV Tax expenses</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>V Profit/(Loss) for the year</b>		<b>(443.00)</b>	<b>(3,110.96)</b>
VI Other Comprehensive Income:		-	-
<b>VII Total Comprehensive Income for the period (comprising profit/ (loss) and Other Comprehensive Income for the period)</b>		<b>(443.00)</b>	<b>(3,110.96)</b>
VIII Earnings per equity share of face value of Rs.10 each Basic (in Rs)	7	(0.00)	(0.04)
Significant Accounting Policies	1		

The accompanying notes are an integral part of these financial statements  
As per our attached report on even date

For ARSK & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 315082E

CA. S K Maheshwari  
Partner  
Membership No. 054049



Place : Kolkata

Date **22 MAY 2018**

For and on behalf of the board of directors

**RAMKRISHNA AERONAUTICS PVT. LTD.**

*Manabendra*

**Director**

**RAMKRISHNA AERONAUTICS PVT. LTD.**

*10 July*

**Director**

**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**  
(Formerly : RAMKRISHNA AVIATION LAND SYSTEMS MARITIME PRIVATE LIMITED)  
Statement of Cash Flow for the year ended 31st March, 2018

(Amount in '00)

Particulars	For the year ended 31st March 2018	For the period ended 31st March 2017
<b>I. Cash flow from operating activities</b>		
Profit before income tax (including other comprehensive income before giving tax effect)	(443.00)	(3,110.96)
<b>Adjustments for</b>		
Amortisation of Preliminary expenses		2,899.18
<b>Income from Operating Activities before changes in Operating Assets and Taxes</b>	(443.00)	(211.78)
(Increase)/decrease in other current assets	295.32	211.78
Increase in other current liabilities	-	-
<b>Cash generated from operations</b>	(147.68)	(0.00)
<b>Net cash inflow from operating activities</b>	(147.68)	(0.00)
<b>II. Cash flows from financing activities</b>		
Preliminary expenses	-	(2,899.18)
Proceeds from issue of equity shares	-	10,000.20
<b>Net cash inflow (outflow) from financing activities</b>	-	7,101.02
<b>Net increase (decrease) in cash and cash equivalents</b>	(147.68)	7,101.02
Cash and Cash equivalents at the beginning of the financial year	7,101.02	-
<b>Cash and Cash equivalents at end of the year</b>	6,953.34	7,101.02

Cash and Cash equivalents as per above comprise of the following

Particulars	As at 31st March 2018	As at 31st March 2017
Balances with banks		
- On current accounts	6,953.34	7,101.02
<b>Balances per statement of cash flows</b>	6,953.34	7,101.02

**Note:** The statement of cashflow has been prepared under the indirect method as set out in India Accounting Standard (Ind AS 7) statement of cashflows

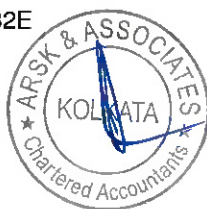
As per our attached report on even date

For **ARSK & ASSOCIATES**

Chartered Accountants

Firm Registration No. 315082E

CA. S K Maheshwari  
Partner  
Membership No. 054049



For and on behalf of the board of directors

**RAMKRISHNA AERONAUTICS PVT. LTD.**

*Manish Bose*

Director

Place : Kolkata

Date **22 MAY 2018**

**RAMKRISHNA AERONAUTICS PVT. LTD.**

*10 June*  
Director

**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**  
(Formerly : RAMKRISHNA AVIATION LAND SYSTEMS MARITIME PRIVATE LIMITED)  
Statement of Changes in Equity for the year ended 31st March, 2018

**A. Equity Share Capital**

(Amount in '00)

Balance at the beginning of the reporting period i.e. 20th July, 2016	Changes in equity share capital during the year 2016-17	Balance at the end of the reporting period i.e. 31st March, 2017	Changes in equity share capital during the year 2017-18	Balance at the end of the reporting period i.e. 31st March, 2018
-	10,000.20	10,000.20	-	10,000.20
-	10,000.20	10,000.20	-	10,000.20

**B. Other Equity**

(Amount in '00)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Securities Premium Reserve	Retained Earnings		
Balance at the beginning of the reporting period i.e. 20th July, 2016	-	-	-	-
Profit/(loss) for the year	-	(3,110.96)	-	(3,110.96)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the period	-	(3,110.96)	-	(3,110.96)
<b>Balance at the end of the reporting year i.e. 31st March, 2017</b>	-	<b>(3,110.96)</b>	-	<b>(3,110.96)</b>

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Securities Premium Reserve	Retained Earnings		
Balance at the beginning of the reporting period i.e. 1st April, 2017	-	(3,110.96)	-	(3,110.96)
Issue of shares during the year	-	-	-	-
Profit/(loss) for the year	-	(443.00)	-	(443.00)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the year	-	(443.00)	-	(443.00)
<b>Balance at the end of the reporting period i.e. 31st March, 2018</b>	-	<b>(3,553.96)</b>	-	<b>(3,553.96)</b>

As per our attached report on even date

For **ARSK & ASSOCIATES**

Chartered Accountants

Firm Registration No. 315082E

CA. S K Maheshwari  
Partner  
Membership No. 054049



For and on behalf of the board of directors

**RAMKRISHNA AERONAUTICS PVT. LTD.**

*Mahale Parula*

Director

Place : Kolkata

Date : 22 MAY 2018

**RAMKRISHNA AERONAUTICS PVT. LTD.**

*N. D. Datta*

Director

**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**  
**(Formerly : RAMKRISHNA AVIATION LAND SYSTEMS MARITIME PRIVATE LIMITED)**  
**1. Notes forming part of financial statements for the year ended 31st March, 2018**

**A General information**

Ramkrishna Aeronautics Private Limited is a Private Limited Company incorporated in India. The Company is incorporated for engaging in the business of assembling, repairing and maintenance of aircrafts. Company has also invested funds in mutual funds. The address of the registered office is 72 Shakespeare Sarani, Kolkata- 700017, West Bengal.

**B Significant accounting policies**

**B.1 Statement of compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

For all periods up to and including the period ended 31st March, 2017, the Company prepared its financial statements in accordance with the previously applicable Indian GAAP, under the historical cost convention, on accrual basis, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements for the year ended 31st March, 2018 are Brandshoots Ventures Pvt. Ltd. first Ind AS compliant financial statements. The Company adopted Ind AS in accordance with Ind AS 101- "First-time Adoption of Indian Accounting Standards". The date of transition to Ind AS is 20th July, 2016. The transition was carried out from the previously applicable Indian GAAP as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.

**B.2 Basis of preparation**

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period to the extent applicable. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In measuring fair value of an asset or liability, the Company takes into account those characteristics of the assets or liability that market participants would take into account when pricing the asset or liability at the measurement date.

**Functional and presentational currency**

These financial statements are presented in Indian Rupee (INR) which is also the functional currency. Unless otherwise stated, all amounts are rounded in hundreds.

**Use of estimates and judgements**

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities and contingent assets at the date of financial statement and the results of operation during the reporting period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and/or the notes to the financial statements.



**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**  
(Formerly : RAMKRISHNA AVIATION LAND SYSTEMS MARITIME PRIVATE LIMITED)

**1. Notes forming part of financial statements for the year ended 31st March, 2018**

**B.3 Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- Held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of products and time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

**B.4 Revenue /Income recognition**

Revenue is measured at the fair value of consideration received or receivable.

**a) Rendering of services:** Revenue from rendering services is recognised when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction.

**B.6 Earnings Per Share**

Basic Earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

**B.7 Cash and Cash Equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**B.8 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Contingent Liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly in the control of the company are not recognized in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the financial statements.

Contingent Assets are not recognized in the financial statements, the nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.



**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**  
**(Formerly : RAMKRISHNA AVIATION LAND SYSTEMS MARITIME PRIVATE LIMITED)**

**1. Notes forming part of financial statements for the year ended 31st March, 2018**

**B.9 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 Assets**

**Classification**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recognised at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement of financial assets is dependent on initial categorisation. For impairment purposes, significant financial assets are tested on an individual basis and other financial assets are assessed collectively in groups that share similar credit risk characteristics.

**Financial assets measured at amortised cost**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise, on specified dates, to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

**Financial assets measured at fair value through other comprehensive income (FVTOCI)**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income.

**Financial assets measured at fair value through profit or loss (FVTPL)**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

**Derecognition of financial assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**Financial liabilities**

**Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

**Initial recognition and measurement**

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



**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**  
(Formerly : RAMKRISHNA AVIATION LAND SYSTEMS MARITIME PRIVATE LIMITED)

**1. Notes forming part of financial statements for the year ended 31st March, 2018**

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 - "Financial Instruments". Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

**Financial liabilities measured at amortised cost**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method except for those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

**Trade and other payables**

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

**Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

**B.10 Impairment**

**Financial assets**

The Company recognises loss allowances, if any, using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECL is measured at an amount equal to the 12- month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case, those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the Statement of Profit and Loss.

**Non-financial assets**

Non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.



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**1. Notes forming part of financial statements for the year ended 31st March, 2018**

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

**B.12 Accounting for Taxes on Income**

Income tax expense comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In such cases, the tax is also recognised directly in equity or in other comprehensive income.

Current tax is the amount of tax payable on the taxable income for the year, determined in accordance with the provisions of the Income Tax Act, 1961.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and their corresponding tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences and unused tax losses being carried forward, to the extent that it is probable that taxable profits will be available in future against which those deductible temporary differences and tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.





**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**  
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**Notes forming part of financial statements for the year ended 31st March, 2018**

(Amount in '00)

2	<b>Cash and Cash equivalents</b>	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>
	Balances with banks in current account	6,953.34	7,101.02
	<b>Total</b>	<b>6,953.34</b>	<b>7,101.02</b>

3	<b>Equity Share Capital</b>	<b>As at 31st March, 2018</b>		<b>As at 31st March, 2017</b>	
		<b>Units</b>	<b>Amount</b>	<b>Units</b>	<b>Amount</b>
	<b>Authorised share capital</b>				
	Equity shares of Rs. 10 each	20,00,000	2,00,000.00	20,00,000	2,00,000.00
	<b>Issued, Subscribed and Paid up</b>				
	Equity shares of Rs. 10 each fully paid up	1,00,002	10,000.20	1,00,002	10,000.20
	<b>Total</b>	<b>1,00,002</b>	<b>10,000.20</b>	<b>1,00,002</b>	<b>10,000.20</b>

**3.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year.**

<b>Particulars</b>	<b>As at 31st March, 2018</b>		<b>As at 31st March, 2017</b>	
	<b>No. of shares</b>	<b>Amount</b>	<b>No. of shares</b>	<b>Amount</b>
<b>Shares at the beginning of the year</b>	1,00,002	10,000.20	-	-
Issued during the year	-	-	1,00,002	10,000.20
<b>Shares outstanding at the end of the year</b>	<b>1,00,002</b>	<b>10,000.20</b>	<b>1,00,002</b>	<b>10,000.20</b>

**3.2 Rights, preferences and restrictions attached to shares**

The Company has only one class of issued shares i.e. Equity Shares having face value of Rs. 10 per share. Each holder of Equity Shares is entitled to vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

**3.3 The details of Shareholders holding more than 5% shares:-**

<b>Name of the shareholder</b>	<b>As at 31st March, 2018</b>		<b>As at 31st March, 2017</b>	
	<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
Ramkrishna Forgings Ltd*(the Holding Company)	1,00,002	100.00	1,00,002	100.00
<b>Total</b>	<b>1,00,002</b>	<b>100.00</b>	<b>1,00,002</b>	<b>100.00</b>

Note: \* Out of the total shares held by the company, 2 shares are held in the name of two other shareholders but the company holds beneficial interests in such shares.

(Amount in '00)

4	<b>Other Equity</b>	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>
	<b>Retained Earnings</b>		
	As per last financial statements	(3,110.96)	-
	Add: (Loss) for the year	(443.00)	(3,110.96)
	<b>Total</b>	<b>(3,553.96)</b>	<b>(3,110.96)</b>



**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**  
**(Formerly : RAMKRISHNA AVIATION LAND SYSTEMS MARITIME PRIVATE LIMITED)**  
**Notes forming part of financial statements for the year ended 31st March, 2018**

(Amount in '00)

5	Other financial liabilities	As at 31st March, 2018	As at 31st March, 2017
	Other payables	507.10	211.78
	<b>Total</b>	<b>507.10</b>	<b>211.78</b>

(Amount in '00)

6	Other expenses	For the year ended 31st March, 2018	For the period ended 31st March, 2017
	Filing fee	42.00	6.00
	Professional charges	79.90	50.00
	Payments to Auditor*	321.10	150.00
	Printing and Stationery	-	5.78
	<b>Total</b>	<b>443.00</b>	<b>211.78</b>

	*Payments to Auditor	For the year ended 31st March, 2018	For the period ended 31st March, 2017
	- Statutory audit	150.00	150.00
	- For company law related matters	171.10	-
	<b>Total</b>	<b>321.10</b>	<b>150.00</b>

(Amount in '00)

7	Earnings per share (EPS)	For the year ended 31st March, 2018	For the period ended 31st March, 2017
	Net Loss after Tax as per Statement of Profit and Loss attributable to Equity Shareholder	Rs. (443.00)	(3,110.96)
	Weighted average number of equity shares outstanding during the year	No. 1,00,002	69,864
	Nominal value of equity per share	Rs. 10	10
	Basic/diluted earning per share (EPS)	Rs. (0.00)	(0.04)

**8 Related party disclosure**

As per Ind AS- 24, the disclosure of transaction with the related parties are given below:

Name of related party	Relationship
M/s Ramkrishna Forgings Limited	Holding Company
Mahabir Prasad Jalan	Director
Naresh Jalan	Director

Note: There were no transactions made with the related parties during the year .



**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**

**Notes forming part of financial statements for the year ended 31st March, 2018**

**9 First-time Adoption of IND AS**

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 20th July, 2016. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2018 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**A. Applicable Mandatory Exceptions**

**1. Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 6th April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

**2. Classification and measurement of financial assets**

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**B. Transition to Ind AS - Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

1. Reconciliation of Balance sheet as at March 31, 2017
2. Reconciliation of Statement of Profit & Loss for the year ended March 31, 2017
3. Reconciliation of Equity as at March 31, 2017

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.



**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**

Notes forming part of financial statements for the year ended 31st March, 2018

**First time IND AS adoption reconciliation**

**Effect of Ind AS adoption on the balance sheet as at March 31, 2017**

<b>PARTICULARS</b>	<b>Regrouped Previous GAAP</b>	<b>IND AS Adjustments</b>	<b>IND AS</b>
<b>ASSETS</b>			
(1) <b>Current assets</b>			
(i) Cash and Cash equivalents	7,101.02	-	7,101.02
<b>Total current assets</b>	<b>7,101.02</b>	<b>-</b>	<b>7,101.02</b>
<b>Total assets</b>	<b>7,101.02</b>	<b>-</b>	<b>7,101.02</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(A) Equity</b>			
(a) Equity share capital	10,000.20	-	10,000.20
(b) Other equity	(3,110.96)	-	(3,110.96)
<b>Total equity</b>	<b>6,889.24</b>	<b>-</b>	<b>6,889.24</b>
<b>(B) Current liabilities</b>			
(1) <b>Financial liabilities</b>			
Other financial liabilities	211.78	-	211.78
<b>Total current liabilities</b>	<b>211.78</b>	<b>-</b>	<b>211.78</b>
<b>Total liabilities (1+2)</b>	<b>211.78</b>	<b>-</b>	<b>211.78</b>
<b>Total Equity and Liabilities (A+B)</b>	<b>7,101.02</b>	<b>-</b>	<b>7,101.02</b>

**Effect of Ind AS adoption on the statement of Profit and Loss for the period ended March 31, 2017**

<b>Particulars</b>	<b>Regrouped Previous GAAP</b>	<b>IND AS Adjustments</b>	<b>IND AS</b>
I Other income	-	-	-
II <b>Total income</b>	<b>-</b>	<b>-</b>	<b>-</b>
III <b>Expenses</b>			
Other expenses	211.78	-	211.78
<b>Total expenses</b>	<b>211.78</b>	<b>-</b>	<b>211.78</b>
IV <b>Loss before tax</b>	<b>(211.78)</b>	<b>-</b>	<b>(211.78)</b>
V <b>Tax expense</b>			
Deferred Tax	-	-	-
VI <b>Loss for the year</b>	<b>(211.78)</b>	<b>-</b>	<b>(211.78)</b>
VII Other Comprehensive Income	-	-	-
VIII <b>Total Comprehensive Income for the period (comprising profit (loss) and other comprehensive income for the period)</b>	<b>(211.78)</b>	<b>-</b>	<b>(211.78)</b>



**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**

Notes forming part of financial statements for the year ended 31st March, 2018

**Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP**

Particulars	Notes	Net Profit	Other Equity
		Period ended 31st March, 2017	As at 31st March, 2017
Net Profit / Other equity under previous GAAP		(211.78)	(3,110.96)
Net Profit / Other equity under IND AS		(211.78)	(3,110.96)

**Notes :****I. Deferred tax**

The company has not recognised deferred tax on current year loss in the absence of virtual certainty that the company will be able to generate sufficient taxable income in the future.

**10 CAPITAL RISK MANAGEMENT**

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**11 FINANCIAL RISK MANAGEMENT****Financial risk management objectives and policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including.

**Market Risk- Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.



## **RAMKRISHNA AERONAUTICS PRIVATE LIMITED**

**Notes forming part of financial statements for the year ended 31st March, 2018**

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

### **Credit risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

### **Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.



**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**

Notes forming part of financial statements for the year ended 31st March, 2018

**12 Fair value measurements****Financial Instrument by category and hierarchy**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- A. Fair value of cash and short-term deposits, trade and other short term receivables, other current liabilities, approximate their carrying amounts largely due to short term maturities of these instruments.
- B. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
- C. The fair value of investment in quoted Equity Shares, Bonds, Government Securities, Treasury Bills and Mutual Funds is measured at quoted price or NAV.
- D. The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as decided below:

**Level - 1** - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

**Level - 2** - inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

**Level - 3** - inputs are unobservable inputs for the asset or liability.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Fair value of financial assets and liabilities measured at amortised cost-

Particulars	31 March, 2018		
	Level of inputs used in Level 1	Level of inputs used in Level 2	Total Amount
<b>Financial assets</b>			
Cash and cash equivalents	6,953.34	-	6,953.34
<b>Total financial assets</b>	<b>6,953.34</b>	-	<b>6,953.34</b>
<b>Financial liabilities</b>	507.10	-	507.10
<b>Total financial liabilities</b>	<b>507.10</b>	-	<b>507.10</b>



**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**

Notes forming part of financial statements for the year ended 31st March, 2018

Particulars	31 March, 2017		
	Level of inputs used in Level 1	Level of inputs used in Level 2	Total Amount
<b>Financial assets</b>			
Cash and cash equivalents	7,101.02	-	7,101.02
<b>Total financial assets</b>	<b>7,101.02</b>	<b>-</b>	<b>7,101.02</b>
<b>Financial liabilities</b>			
	211.78	-	211.78
<b>Total financial liabilities</b>	<b>211.78</b>	<b>-</b>	<b>211.78</b>

13 The Company has reclassified and regrouped previous years figure to confirm to this year's classification.

As per our attached report on even date

For **ARSK & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 315082E

CA. S K Malleshwari  
Partner  
Membership No. 054049



Place : Kolkata

Date : 22 MAY 2018

**RAMKRISHNA AERONAUTICS PVT. LTD.**

*M. Maheshwari*  
Director

**RAMKRISHNA AERONAUTICS PVT. LTD.**

*W. Jeyaraj*  
Director



**RAMKRISHNA AERONAUTICS PRIVATE LIMITED**

**Computation of Income tax**

AY: 2018-19  
PY: 2017-18

**Profit and Gain from Business and Profession**

Profit/(Loss) as per Statement of P/L	(443)
Add:	
Depreciation as per Company act	-
Less:	
Depreciation as per IT act	-
Unrealised gain	-
	<hr/>
<b>Loss from PGBP</b>	<b>(443)</b>
	<hr/>
<b>Rounding off u/s 288A</b>	<b>(440)</b>
	<hr/> <hr/>
<b>Tax Liability</b>	-
<b>MAT Liability</b>	
Profit/(Loss) as per Statement of P/L	(443)
<b>Mat Liability</b>	<b>NIL</b>

<b>Details</b>		
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
<b><u>Cash &amp; Cash equivalents</u></b>		
<b>Bank Balances</b>		
ICICI Bank	6,953.34	7,101.02
<b>Total</b>	<b>6,953.34</b>	<b>7,101.02</b>
<b><u>Other Current Liability</u></b>		
Payable for expense		
-Audit Fees	300.00	150.00
Kushal Enterprises	-	5.78
M.K. Sharma & Associates	-	56.00
Arsk & Associates	207.10	-
<b>Total</b>	<b>507.10</b>	<b>211.78</b>