

Escenda Engineering AB
Annual Financial Statements
For the year ended March 31, 2018

ESCENDA ENGINEERING AB

Directors

Praveen P Kadle
Warren Harris
Stefan Wedin
Nick Sale

Registered office

Lindholmspiren 7
417 56 Göteborg

ESCENDA ENGINEERING AB

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1.1 Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standard (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The transition was carried out from Accounting principles generally accepted in India, which was the previous GAAP (referred as “previous GAAP”), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 which was followed up to the year ended March 31, 2016. These are the Company’s first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015.

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

1.2 Critical accounting estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from year to year. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made.

1.3 Revenue recognition

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

Revenue from services on time and materials contracts is recognized when services are rendered and related costs are incurred i.e. based on certification of time sheets as per the terms of specific contracts. Revenues from fixed price contracts are recognized when collectability of the resulting receivable is reasonably assured or percentage of completion method depending on terms of the contract. The percentage of completion is determined on the degree of the cost incurred. Foreseeable losses on such contracts are recognized when probable. Revenue accrued from the end of the last billing to the balance sheet date is recognised as unbilled revenue.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

1.4 Fixed assets and depreciation

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Type of Asset	Useful life
Lease hold improvements	Lower of Lease period or useful life

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Buildings	15 to 25 years
Plant and machinery	1 to 21 years
Computer equipment's	1 to 4 years
Vehicles	3 to 11 years
Furniture & fixtures	1 to 21 years
Software	1 to 4 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end with the effect of any changes in the estimate accounted for on a prospective basis.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in net profit in the statement of profit and loss.

1.5 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in net profit in the statement of profit and loss.

1.6 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories are ascertained on a first in first out basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

1.7 Taxation

Current income tax expense is determined in accordance with tax laws applicable in countries where such operations are domiciled. Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that taxable income will be available to realize these assets. All other deferred tax assets are recognized only to the extent that there is reasonable certainty that future taxable income will be available to realize these assets.

1.8 Foreign currency transaction and translation

Foreign-currency denominated monetary assets and liabilities are re-instated at exchange rates at the balance sheet date. The gains or losses resulting from such translations are included in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are

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translated at the exchange rate prevalent at the date when the fair value was determined. The functional currency of the Company and its foreign branch is the Indian Rupee.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit/loss for the year in which the transaction is settled and is charged to the statement of Profit & Loss. Revenue, expense and cash-flow items denominated in foreign currencies are re-instated using the exchange rate in effect on the date of the transaction.

1.9 Impairment of Assets

At each balance sheet date, the Company reviews using internal resources the carrying amounts of its fixed assets to determine whether there is any indication that the assets suffered an impairment loss. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from continuing use of the asset and from its disposal are discounted to their present value using a pre tax rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the Profit and Loss Account.

1.10 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are determined at present value based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

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Escenda Engineering AB Balance Sheet as on Mar 31, 2018

Particulars	Note No	(Amount in SEK) Mar 31, 2018	(Amount in INR) Mar 31, 2018	(Amount in SEK) Mar 31, 2017	(Amount in INR) Mar 31, 2017
I. ASSETS					
(1) Non-current Assets					
(a) Property, Plant and Equipment	1	170,994	1,336,570	558,444	4,045,826
(d) Other Intangible assets	2	169,558	1,325,344	625,740	4,533,374
(f) Financial assets:					
(iii) Other Loans and advances	3	92,341	721,780	3,188	23,096
(h) Deferred tax assets (net)	4 (ii)	64,131	501,282	-	-
Total Non-current Assets		497,024	3,884,976	1,187,372	8,602,296
(2) Current Assets					
(a) Inventories (Traded)		-	-	-	-
(b) Financial assets:					
(i) Trade receivables	5	57,446,906	449,032,592	23,843,256	172,740,095
(ii) Cash and cash equivalents	6	26,299,382	205,568,592	11,127,567	80,617,219
(iv) Other Loans and advances	3	441,567	3,451,500	462,189	3,348,475
(c) Current tax assets (net)	4 (i)	1,625,364	12,704,625	46,256	335,116
(d) Other current assets	7	24,915,627	194,752,499	5,979,626	43,321,316
Total Current Assets		110,728,846	865,509,807	41,458,894	300,362,221
Total Assets		111,225,869	869,394,784	42,646,266	308,964,518
II. EQUITY AND LIABILITIES					
(1) Equity					
(a) Equity Share capital	8	211,338	1,651,919	211,338	1,531,106
(b) Other Equity		(429,176)	(3,354,642)	20,470,061	148,301,906
Total Equity		(217,838)	(1,702,723)	20,681,399	149,833,011
Liabilities					
(3) Current Liabilities					
(a) Financial liabilities:					
(i) Borrowings	9	16,819,354	131,468,142	-	-
(ii) Trade payables		74,085,982	579,091,593	10,281,485	74,487,507
(b) Provisions	10	9,312,469	72,790,730	6,894,922	49,952,468
(c) Other current liabilities	11	11,225,902	87,747,042	4,788,460	34,691,531
Total Current Liabilities		111,443,708	871,097,507	21,964,867	159,131,506
Total Liabilities		111,443,708	871,097,507	21,964,867	159,131,506
Total Equity and Liabilities		111,225,869	869,394,784	42,646,266	308,964,518

Notes forming part of Financial Statements

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For and on behalf of the Board of Directors

Pravin P. Kadle Warren Harris Stefan Wedin Nick Sale

Director Director Director Director

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Escenda Engineering AB Statement of Profit and Loss for the year ended Mar 31, 2018

Particulars	Note No	(Amount in SEK)	(Amount in INR)	(Amount in SEK)	(Amount in INR)
		Year ended Mar 31, 2018	Year ended Mar 31, 2018	Year ended Mar 31, 2017	Year ended Mar 31, 2017
I. Revenue from operations	12	171,836,657	1,343,157,793	129,888,707	941,020,302
II. Other income	13	346,660	2,709,660	360,086	2,608,758
III. Total Income (I + II)		172,183,317	1,345,867,453	130,248,793	943,629,060
IV. Expenses :					
(a) Consultancy fees, softwares and others	14	116,020,681	906,873,329	51,720,714	374,707,262
(b) Employee benefits expense	15	62,579,463	489,151,121	59,545,544	431,396,749
(c) Finance costs	16	121,199	947,347	7,006	50,757
(d) Depreciation and amortisation expense	1 & 2	844,473	6,600,810	434,841	3,150,347
(e) Other expenses	17	6,716,191	52,496,970	6,645,220	48,143,425
Total expenses (IV)		186,282,006	1,456,069,578	118,353,325	857,448,540
V. Profit/(Loss) before tax (III-IV)		(14,098,690)	(110,202,125)	11,895,467	86,180,520
VI. Tax Expense :					
(a) Current tax		-	-	2,502,438	18,129,713
(b) Deferred tax		(64,131)	(501,282)	-	-
		(64,131)	(501,282)	2,502,438	18,129,713
VII. Profit/(Loss) after Tax (V-VI)		(14,034,558)	(109,700,843)	9,393,029	68,050,808
VIII. Other comprehensive income:					
(i) Items that will not be reclassified to profit and loss:					
(a) Remeasurement gains and (losses) on defined benefit obligations (net)		-	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit and loss		-	-	-	-
(iii) Exchange differences on translation of foreign operations		-	-	-	-
IX. Other comprehensive income for the period		0.00	0.00	0.00	0.00
X. Total comprehensive income for the period (VII+IX)		(14,034,558)	(109,700,843)	9,393,029	68,050,808

Notes forming part of Standalone Financial Statements 1-20
Accompanying Notes to the Financial Statements

For and on behalf of the Board of Directors

Pravin P. Kadle	Warren Harris	Stefan Wedin	Nick Sale
Director	Director	Director	Director

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Escenda Engineering AB

Cash Flow Statement

	(Amount in SEK)	(Amount in INR)
	Year ended Mar 31, 2018	Year ended Mar 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit after taxation	(14,034,558)	(109,700,843)
Depreciation and amortisation	844,473	6,600,810
Provision for deferred tax	(64,131)	(501,282)
Finance costs	121,199	947,347
Operating profit before working capital changes	(13,133,017)	(102,653,968)
Adjustments for (Increase) / Decrease in operating assets and liabilities		
Trade receivables	(33,603,650)	(262,662,261)
Other current assets	(18,936,001)	(148,012,870)
Other Loans and advances (non current)	(89,153)	(696,861)
Other Loans and advances	20,622	161,190
Trade payables	63,750,818	498,306,997
Other current liabilities	6,437,442	50,318,140
Short term provision	2,417,547	18,896,711
CASH (USED IN) / GENERATED FROM OPERATIONS	6,864,609	53,657,079
Income taxes paid (net)	(1,579,108)	(12,343,066)
NET CASH FLOW (USED IN)/GENERATED FROM OPERATING ACTIVITIES	5,285,501	41,314,013
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase of tangible and intangible fixed assets	(841)	(6,574)
NET CASH FLOW (USED IN)/GENERATED FROM INVESTING ACTIVITIES	(841)	(6,574)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(121,199)	(947,347)
Dividends paid (including Dividend Tax)	(6,811,000)	(53,238,045)
Proceeds from Long Term borrowing	16,819,354	131,468,142
NET CASH FLOW (USED IN)/GENERATED FROM FINANCING ACTIVITIES	9,887,155	77,282,749
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	15,171,815	118,590,188
Cash & Bank balances at the close of the year (Refer Note 6)	26,299,382	205,568,592
Cash & Bank balances at the beginning of the year (Refer Note 6)	11,127,567	86,978,404
	15,171,815	118,590,188

For and on behalf of the Board of Directors

Pravin P. Kadle	Warren Harris	Stefan Wedin	Nick Sale
Director	Director	Director	Director

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Escenda Engineering AB Statement of changes in equity

Other Equity	Equity Share Capital	Reserves and Surplus		Total equity
		Securities	Retained earnings	
		Premium Reserve		
Balance as at May 1, 2017	211,338	1,774,783	11,830,599	13,816,720
Income for the year	-	-	(14,034,558)	(14,034,558)
Effective portion of Cash flow hedge net of tax	-	-	-	-
Issue of equity shares	-	-	-	-
Other comprehensive income /(loss) for the year	-	-	-	-
Total comprehensive income/(loss) for the year	211,338	1,774,783	(2,203,959)	(217,838)
Dividend paid (including dividend tax)	-	-	-	-
Balance as at March 31, 2018	211,338	1,774,783	(2,203,959)	(217,838)

Other Equity	Equity Share Capital	Reserves and Surplus		Total equity
		Securities	Retained earnings	
		Premium Reserve		
Balance as at May 1, 2017	1,651,919	13,872,554.26	92,473,646	107,998,119
Income for the year	-	-	109,700,843	(109,700,843)
Effective portion of Cash flow hedge net of tax	-	-	-	-
Issue of equity shares	-	-	-	-
Other comprehensive income /(loss) for the year	-	-	-	-
Total comprehensive income/(loss) for the year	1,651,919	13,872,554	(17,227,197)	(1,702,723)
Dividend paid (including dividend tax)	-	-	-	-
Balance as at March 31, 2018	1,651,919	13,872,554	(17,227,197)	(1,702,723)

Other Equity	Equity Share Capital	Reserves and Surplus		Total equity
		Securities	Retained earnings	
		Premium Reserve		
Balance as at May 1, 2016	211,338	1,774,782.80	9,302,249	11,288,369
Income for the year	-	-	9,393,029	9,393,029
Effective portion of Cash flow hedge net of tax	-	-	-	-
Issue of equity shares	-	-	-	-
Other comprehensive income /(loss) for the year	-	-	-	-
Total comprehensive income/(loss) for the year	211,338	1,774,783	18,695,278	20,681,399
Dividend paid (including dividend tax)	-	-	-	-
Balance as at March 31, 2017	211,338	1,774,783	18,695,278	20,681,399

Other Equity	Equity Share Capital	Reserves and Surplus		Total equity
		Securities	Retained earnings	
		Premium Reserve		
Balance as at May 1, 2016	1,531,105.77	12,857,981.93	67,393,116.12	81,782,204
Income for the year	-	-	68,050,808	68,050,808
Effective portion of Cash flow hedge net of tax	-	-	-	-
Issue of equity shares	-	-	-	-
Other comprehensive income /(loss) for the year	-	-	-	-
Total comprehensive income/(loss) for the year	1,531,106	12,857,982	135,443,924	149,833,011
Dividend paid (including dividend tax)	-	-	-	-
Balance as at March 31, 2017	1,531,106	12,857,982	135,443,924	149,833,011

For and on behalf of the Board of Directors

Pravin P. Kadle	Warren Harris	Stefan Wedin	Nick Sale
Director	Director	Director	Director

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(Amt in SEK)						
	Buildings	Plant & Machinery and Equipments - Owned	Computers	Furniture and fixtures	Leasehold Improvements	Total
1 Property, plant and equipment						
Cost as of May 1, 2017	-	4,04,536	2,93,721	3,98,333	-	10,96,590
Additions	-	-	-	-	36,572	36,572
Currency translation differences	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Cost as of March 31, 2018	-	4,04,536	2,93,721	3,98,333	36,572	11,33,162
Accumulated depreciation as of May 1, 2017	-	1,44,471	2,24,163	1,69,512	-	5,38,145
Depreciation for the year	-	1,96,468	59,524	1,47,520	5,333	4,08,845
Currency translation differences	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2018	-	3,56,118	2,83,686	3,17,031	5,333	9,46,990
Net carrying amount as of March 31, 2018	-	48,419	10,035	81,302	31,239	1,86,172

(Amt in INR)						
	Buildings	Plant & Machinery and Equipments - Owned	Computers	Furniture and fixtures	Leasehold Improvements	Total
Property, plant and equipment						
Cost as of May 1, 2017	-	31,62,048	22,95,864	31,13,562	-	85,71,474
Additions	-	-	-	-	2,85,864	2,85,864
Currency translation differences	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Cost as of March 31, 2018	-	31,62,048	22,95,864	31,13,562	2,85,864	88,57,338
Accumulated depreciation as of May 1, 2017	-	11,29,255	17,52,162	13,24,983	-	42,06,400
Depreciation for the year	-	15,35,691	4,65,264	11,53,085	41,689	31,95,729
Currency translation differences	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2018	-	26,64,946	22,17,426	24,78,068	41,689	74,02,128
Net carrying amount as of March 31, 2018	-	4,97,102	78,438	6,35,494	2,44,176	14,55,210

- (i) Capital Commitment : The estimated amount of contracts remaining to be executed on capital account, and not provided for is SEK NIL as at March 31, 2018 (SEK NIL as at March 31, 2017 ,as at April 1, 2016 :SEK NIL).

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Escenda Engineering AB Notes forming part of the Financial Statements

1(i) Leases

The Company has taken office premises, plant and equipment and computers under operating and finance leases. The following is the summary of future minimum lease rental payments under non-cancellable operating leases and finance leases entered into by the Company:

(Amount in SEK)			
Particulars	Mar 31, 2018		
	Operating	Finance	
	Minimum Lease Payments	Minimum Lease Payments	Present value of minimum lease payments
Not later than one year	46,93,178	-	-
Later than one year but not later than five years	46,10,398	-	-
Later than five years	-	-	-
Total minimum lease commitments	93,03,576	-	-
Less: future finance charges	-	-	-
Present value of minimum lease payments	93,03,576	-	-
Included in the financial statements as:			
Other financial liabilities - current	-	-	-

(Amount in INR)			
Particulars	March 31, 2018		
	Operating	Finance	
	Minimum Lease Payments	Minimum Lease Payments	Present value of minimum lease payments
Not later than one year	3,66,84,132	-	-
Later than one year but not later than five years	3,60,37,084	-	-
Later than five years	-	-	-
Total minimum lease commitments	7,27,21,216	-	-
Less: future finance charges	-	-	-
Present value of minimum lease payments	7,27,21,216	-	-
Included in the financial statements as:			
Other financial liabilities - current	-	-	-

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	(Amt in SEK)	(Amt in INR)
2 Intangible assets	Software Licenses	Total
Cost as of April 1, 2018	12,33,386	12,33,386
Additions	-	-
Currency translation differences	-	-
Disposal	-	-
Cost as of Mar 31, 2018	12,33,386	12,33,386
Accumulated amortisation as of April 1, 2018	6,28,200	6,28,200
Amortization for the year	4,35,628	4,35,628
Currency translation differences	-	-
Disposal	-	-
Accumulated amortisation as of Mar 31, 2018	10,63,828	10,63,828
Net carrying amount as of Mar 31, 2018	1,69,558	1,69,558
Cost as of May1 1, 2017	12,33,386	96,40,737
Additions	-	-
Currency translation differences	-	-
Disposal	-	-
Cost as of Mar 31, 2018	12,33,386	96,40,737
Accumulated amortisation as of May 1, 2017	6,28,200	49,10,313
Amortization for the year	4,35,628	34,05,081
Currency translation differences	-	-
Disposal	-	-
Accumulated amortisation as of Mar 31, 2018	10,63,828	83,15,393
Net carrying amount as of Mar 31, 2018	1,69,558	13,25,344

- (i) Capital Commitment : The estimated amount of contracts remaining to be executed on capital account, and not provided for is SEK NIL as at March 31, 2018 (SEK NIL as at March 31, 2017 ,as at April 1, 2016 :SEK NIL).

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Escenda Engineering AB Notes forming part of the Financial Statements

	(Amount in SEK)	(Amount in INR)	(Amount in SEK)	(Amount in INR)
	As at	As at	As at	As at
	Mar 31, 2018	Mar 31, 2018	Mar 31, 2017	Mar 31, 2017
3 OTHER LOANS AND ADVANCES				
Unsecured (Considered good)				
NON-CURRENT				
(a) Loans to employees	92,341	7,21,780	3,188	23,096
Total	92,341	7,21,780	3,188	23,096
CURRENT				
(a) Loans and advances employees	4,41,567	34,51,500	4,62,189	33,48,475
Total	4,41,567	34,51,500	4,62,189	33,48,475

Escenda Engineering AB Notes forming part of the Financial Statements

4 (i) Income tax

	Amount in SEK	Amount in INR	Amount in SEK	Amount in INR
	Mar 31, 2018	Mar 31, 2018	Mar 31, 2017	Mar 31, 2017
The reconciliation of estimated tax expense to tax expense reported:				
Profit before tax	(1,40,98,690)	(11,02,02,125)	1,18,95,467	8,61,80,520
Deferred Tax Asset impact due to Tax Depreciation	(64,131)	(5,01,282)	-	-
Tax expense reported	(64,131)	(5,01,282)	-	-

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(Amount in SEK)				
4 (ii)	Significant components of deferred tax assets and liabilities for the Period ended March 31 2019:	Opening balance	Recognized in the statement of profit or loss	Closing balance
	Deferred tax assets:			
	Depreciation in excess of Capital allowances	-	64,131	64,131
	Total deferred tax assets	-	64,131	64,131
	Deferred tax liabilities:			
	Total deferred tax liabilities	-	-	-
	Net assets/(liabilities)	-	64,131	64,131

			(Amount in INR)
Significant components of deferred tax assets and liabilities for the Period ended March 31 2018:	Opening balance	Recognized in the statement of profit or loss	Closing balance
Deferred tax assets:			
Depreciation in excess of Capital allowances	-	5,01,282	5,01,282
Total deferred tax assets	-	5,01,282	5,01,282
Deferred tax liabilities:			
Total deferred tax liabilities	-	-	-
Net assets/(liabilities)	-	5,01,282	5,01,282

Escenda Engineering AB Notes forming part of the Financial Statements

5 TRADE RECEIVABLES

(Unsecured, considered good unless otherwise stated)

(a) Trade receivables due for a period exceeding six months

Considered good

Considered doubtful

Less : Expected credit loss allowance

(b) Other Trade receivables

Considered good

Considered doubtful

Less : Expected credit loss allowance

(Amount in SEK)	(Amount in INR)	(Amount in SEK)	(Amount in INR)
As at	As at	As at	As at
Mar 31, 2018	March 31, 2018	Mar 31, 2017	Mar 31, 2017
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
5,74,46,906	44,90,32,592	2,38,43,256	17,27,40,095
-	-	-	-
5,74,46,906	44,90,32,592	2,38,43,256	17,27,40,095
-	-	-	-
5,74,46,906	44,90,32,592	2,38,43,256	17,27,40,095
5,74,46,906	44,90,32,592	2,38,43,256	17,27,40,095

6 CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents include the cash on hand and in banks. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

(a) Cash on hand

(b) Cheques, drafts on hand/funds in transit (Refer note 11 (ii)& (iii))

(c) Current account with banks (Refer note 11 (i))

(d) Bank deposits less than 3 months maturity

(Amount in SEK)	(Amount in INR)	(Amount in SEK)	(Amount in INR)
As at	As at	As at	As at
Mar 31, 2018	March 31, 2018	Mar 31, 2017	Mar 31, 2017
-	-	-	-
-	-	-	-
2,62,99,382	20,55,68,592	1,11,27,567	8,06,17,219
-	-	-	-
2,62,99,382	20,55,68,592	1,11,27,567	8,06,17,219

Notes :

(i) In foreign currencies

2,62,99,382	20,55,68,592	1,11,27,567	8,06,17,219
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ESCENDA ENGINEERING AB

Escenda Engineering AB Notes forming part of the Financial Statements

	(Amount in SEK)	(Amount in INR)	(Amount in SEK)	(Amount in INR)
	As at	As at	As at	As at
	Mar 31, 2018	Mar 31, 2018	Mar 31, 2017	Mar 31, 2017
7 OTHER ASSETS:				
CURRENT				
(a) Unbilled revenue	2,19,85,633	17,18,50,259	48,01,275	3,47,84,373
(b) Prepaid expenses	29,29,994	2,29,02,240	11,78,351	85,36,942
Total	2,49,15,627	19,47,52,499	59,79,626	4,33,21,316

Escenda Engineering AB Notes forming part of the Financial Statements

	(Amount in SEK)	(Amount in INR)	(Amount in SEK)	(Amount in INR)
	As at	As at	As at	As at
	Mar 31, 2018	Mar 31, 2018	Mar 31, 2017	Mar 31, 2017
8 Equity Share Capital				
(a) Authorised:				
(i) 10,697 Ordinary share of 1SEK each	-	-	-	-
Total	-	-	-	-
(b) Issued,Subscribed and Fully paid up capital:				
105,669 Ordinary share of 2SEK each	211,338	1,651,919	211,338	1,531,106
Total	211,338	1,651,919	211,338	1,531,106

ESCENDA ENGINEERING AB

Escenda Engineering AB Notes forming part of the Financial Statements

	(Amount in SEK) As at Mar 31, 2018	(Amount in INR) As at Mar 31, 2018	(Amount in SEK) As at Mar 31, 2017	(Amount in INR) As at Mar 31, 2017
9 BORROWINGS				
CURRENT				
Unsecured:				
(i) Term loans:				
(b) Intercompany loan - TTEL	1,68,19,354	13,14,68,142	-	-
	1,68,19,354	13,14,68,142	-	-

Note:

	(Amount in SEK) As at Mar 31, 2018	(Amount in INR) As at Mar 31, 2018	(Amount in SEK) As at Mar 31, 2017	(Amount in INR) As at Mar 31, 2017
10 Provisions				
CURRENT				
(a) Provision for employee benefits	93,12,469	7,27,90,730	68,94,922	4,99,52,468
	93,12,469	7,27,90,730	68,94,922	4,99,52,468

Escenda Engineering AB Notes forming part of the Financial Statements

	(Amount in SEK) As at Mar 31, 2018	(Amount in INR) As at Mar 31, 2018	(Amount in SEK) As at Mar 31, 2017	(Amount in INR) As at Mar 31, 2017
11 OTHER CURRENT LIABILITIES				
(a) Statutory dues	1,11,98,916	8,75,36,103	47,14,393	3,41,54,929
(b) Advance and Progress payments	-	-	-	-
(c) Income received in advance	26,986	2,10,939	74,067	5,36,602
(d) Provision for Tax on Dividend	-	-	-	-
Total	1,12,25,902	8,77,47,042	47,88,460	3,46,91,531

ESCENDA ENGINEERING AB

Escenda Engineering AB Notes forming part of the Financial Statements

	(Amount in SEK)	(Amount in INR)	(Amount in SEK)	(Amount in INR)
	Period ended	Period ended	Period ended	Period ended
	Mar 31, 2018	Mar 31, 2018	Mar 31, 2017	Mar 31, 2017
12 REVENUE FROM OPERATIONS				
(a) Sale of services	17,18,36,657	1,34,31,57,793	12,98,88,707	94,10,20,302
	17,18,36,657	1,34,31,57,793	12,98,88,707	94,10,20,302
	-	-	-	-
	(Amount in SEK)	(Amount in INR)	(Amount in SEK)	(Amount in INR)
	Period ended	Period ended	Period ended	Period ended
	Mar 31, 2018	Mar 31, 2018	Mar 31, 2017	Mar 31, 2017
13 OTHER INCOME				
(a) Interest income				
Interest income earned on financial assets that are not designated as at fair value through profit and loss				
(i) Interest income-others	-	-	1,377	9,976
(ii) Interest income-Long term investments	-	-	-	-
(d) Other non-operating income				
(i) Other non-operating income	3,46,660	27,09,660	3,58,709	25,98,782
	3,46,660	27,09,660	3,60,086	26,08,758

ESCENDA ENGINEERING AB

Escenda Engineering AB Notes forming part of the Financial Statements

	(Amount in SEK) Period ended Mar 31, 2018	(Amount in INR) Period ended Mar 31, 2018	(Amount in SEK) Period ended Mar 31, 2017	(Amount in INR) Period ended Mar 31, 2017
14 CONSULTANCY FEES, SOFTWARES AND OTHERS				
(a) Outsourcing charges	11,40,81,471	89,17,15,538	4,91,70,500	35,62,31,425
(b) Software-internal use	7,91,627	61,87,734	14,69,858	1,06,48,857
(c) Professional fees	9,23,678	72,19,909	7,22,082	52,31,356
(e) Training Costs	2,23,905	17,50,148	3,58,273	25,95,624
	11,60,20,681	90,68,73,329	5,17,20,714	37,47,07,262
	-	-	-	-
	(Amount in SEK) Period ended Mar 31, 2018	(Amount in INR) Period ended Mar 31, 2018	(Amount in SEK) Period ended Mar 31, 2017	(Amount in INR) Period ended Mar 31, 2017
15 EMPLOYEE BENEFIT EXPENSE				
(a) Salaries and wages	4,94,16,332	38,62,61,771	4,58,62,846	33,22,68,063
(b) Staff welfare expenses	3,56,738	27,88,434	3,73,608	27,06,725
(c) Social Security and other benefit plans for Overseas employees	1,28,06,393	10,01,00,916	1,33,09,090	9,64,21,961
	6,25,79,463	48,91,51,121	5,95,45,544	43,13,96,749
	-	-	-	-
	(Amount in SEK) Period ended Mar 31, 2018	(Amount in INR) Period ended Mar 31, 2018	(Amount in SEK) Period ended Mar 31, 2017	(Amount in INR) Period ended Mar 31, 2017
16 FINANCE COSTS				
(a) Interest on short term borrowings	1,21,199	9,47,347	7,006	50,757
	1,21,199	9,47,347	7,006	50,757

ESCENDA ENGINEERING AB

Escenda Engineering AB Notes forming part of the Financial Statements

	(Amount in SEK)	(Amount in INR)	(Amount in SEK)	(Amount in INR)
	Period ended	Period ended	Period ended	Period ended
	Mar 31, 2018	Mar 31, 2018	Mar 31, 2017	Mar 31, 2017
17 OTHER EXPENSES				
(a) Repairs & maintenance				
- Buildings	2,78,160	21,74,229	83,632	6,05,898
- Plant & machinery	3,028	23,668	22,129	1,60,324
(b) Rent	34,23,856	2,67,62,499	32,83,391	2,37,87,578
(c) Insurance	3,82,197	29,87,434	4,01,141	29,06,194
(d) Overseas Marketing Expenses	2,098	16,396	16,512	1,19,626
(e) Advertisement and publicity	72,953	5,70,233	1,41,868	10,27,807
(h) Office expenses	5,44,515	42,56,187	8,13,846	58,96,167
(g) Travelling & conveyance	12,97,547	1,01,42,251	10,66,589	77,27,243
(h) Power & fuel	2,54,938	19,92,718	2,10,583	15,25,637
(i) Auditors remuneration**	18,000	1,40,697	56,278	4,07,720
(j) Staff training and seminar expenses	1,951	15,246	-	-
(k) Communication expenses	55,108	4,30,747	39,891	2,89,003
(l) Bad debts written off	-	-	(25,348)	(1,83,644)
(m) Foreign currency loss (net)	(34,963)	(2,73,289)	(7,400)	(53,609)
(n) Miscellaneous expenses	4,16,806	32,57,954	5,42,109	39,27,480
	67,16,191	5,24,96,970	66,45,220	4,81,43,425
	-	-	-	-

18 Payment to auditors**

	(Amount in SEK)	(Amount in INR)	(Amount in SEK)	(Amount in INR)
	Period ended	Period ended	Period ended	Period ended
	Mar 31, 2018	Mar 31, 2018	Mar 31, 2017	Mar 31, 2017
i) For services as auditors, including quarterly	18,000	1,40,697	56,278	4,07,720
ii) For Tax audit/Transfer pricing audit	-	-	-	-
iii) For other attest services	-	-	-	-
iv) Reimbursement of out-of-pocket expenses	-	-	-	-
	18,000	1,40,697	56,278	4,07,720

18.1 Escenda Engineering AB

SEK

	UK	Rest of Europe	Rest of the World	Total
Revenues	1,94,546.00	17,11,02,128	5,39,983	17,18,36,657
Identifiable operating expenses	1,77,037.00	17,41,28,456	4,75,185	17,47,80,678
Allocated expenses	11,928	1,04,90,621	33,107	1,05,35,656
Segmental operating Income				- 1,34,79,677
Unallocable expenses				9,65,672
Other Income				- 1,44,45,349
				3,46,660
Net profit before taxes				- 1,40,98,690
Income taxes				- 64,131
Net profit after taxes				(1,40,34,558)

ESCENDA ENGINEERING AB

19 Related Party disclosures

Transactions with related parties:

Particulars	Tata Technologies Europe Limited (SEK)	Tata Technologies Europe Limited (₹)
Services rendered	16,420	1,28,347
Services received	36,44,565	2,84,87,667
Amount receivable (Including unbilled revenue)	16,420	1,28,347
Amount payable	36,44,565	2,84,87,667
Interest paid / (received)(net)	10,612	82,947
Finance received back (including loans, equity & ICD)	14,24,599	1,11,35,352

20 (a) Conversion into Indian Rupees

The financial information is expressed in SEK only in the Accounting packs based on which the attached financial statements have been reformatted. Solely for the convenience of the reader and to meet the requirement of section 129 of the Companies (Accounts) Rules, 2014, the amounts appearing in Indian Rupees have been translated at a fixed exchange rate of 1 SEK = Rs. 7.81648 as on March 31, 2018. These translations should not be construed as a representation that any or all the amounts could be converted to Indian Rupees at this or any other rate.

- 20 (b)** The above Financial Statements are prepared from the internally prepared management accounts of the Company. There is no separate audit report is given in respect of the Company. An audit report for the Group is issued by B S R & Co. LLP, Chartered Accountants and is included in its financial statements.

ESCENDA ENGINEERING AB

TO THE MEMBERS OF ESCENDA ENGINEERING AB

The Directors hereby present the first Annual Report on the Business and Operations of the Company and Statement of Accounts for the year ended March 31, 2018.

1. FINANCIAL RESULTS

The Financial Results of the Company for the period May 01, 2017 to March 31, 2018 are as follows:

	For the year ended	
	(In SEK)	(In ₹)
Revenue from operations	171,836,657	1,343,157,793
Other Income	346,660	2,709,660
Loss for the year	14,034,558	109,700,843

2. OPERATIONS

Tata Technologies has acquired the company as on 28th April 2017. An integration project was started and is expected to be completed in 2018.

In connection with the acquisition, responsibility of a big project for a large customer in the area was taken over. This has led to a significant increase in sales. The demand for the company's services is still expected to be good.

The company has set revenue budget of 24.5M USD for the financial year 2018-19

3. CHANGE IN SHARE CAPITAL

During the year, no changes have occurred in the authorized and paid up capital of the Company.

4. DIVIDEND

Considering the overall financial performance of the Company, the Board of Directors have not recommended any dividend on equity capital of the Company during the year under reference.

5. POST BALANCE SHEET EVENTS

There have been no significant post balance sheet events, since the end of the financial year ended 31st March 2018, which have had a material effect on the financial position of the Company.

6. PUBLIC DEPOSITS

The Company has not accepted any deposits from the public.

7. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134 (5) of the Companies Act, 2013 the directors, based on the representations received from the operating management, confirm that: -

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

2. they have, in selection of the accounting policies, applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that year;

ESCENDA ENGINEERING AB

3. they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

4. they have prepared the annual accounts on a “going concern basis”.

5. they have devised proper systems to endure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

6. ACKNOWLEDGEMENTS

The Directors wish to place on record their gratitude to all the Company's customers, business partners, bankers, auditors and government/statutory authorities for their support.

On behalf of the Board of Directors;

Warren Harris	Director
Stefan Wedin	Director
Praveen P Kadle	Director
Nick Sale	Director

Place : Gothenburg, Sweden

Date :