

ANNUAL REPORT OF CAMBRIC GMBH

CAMBRIC GMBH

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CAMBRIC GMBH

DIRECTORS:

1. Warren Harris
2. Nick Sale

REGISTERED: OFFICE

C/o ServiceKnotor
Campus, Geb. A1 1
D-66123 Saarbrücken

SIGNIFICANT ACCOUNTING POLICIES

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 upto 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.

Note 6- Revenue Recognition and unbilled revenue (to the extent of projects where revenue is recognised on percentage completion method)

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.

Revenue from third party software products and hardware sale is recognized upon delivery.

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
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 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 that 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.

Cambric GmbH
Balance Sheet as on Mar 31, 2017

Particulars	Note No	(Amount in USD)	(Amount in INR)	(Amount in USD)	(Amount in INR)
		March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016
I. ASSETS					
(1) Non-current Assets					
(a) Goodwill		-	-	3,171	210,054
Total Non-current Assets		-		3,171	210,054
(2) Current Assets					
(a) Financial assets:					
(i) Trade receivables	2	-	-	139,525	9,243,164
(ii) Cash and cash equivalents	3	289,022	18,743,064	202,161	13,392,692
(b) Current tax assets (net)		13,851	898,245	-	-
(c) Other current assets	4	78	5,069	19,538	1,294,331
Total Current Assets		302,951	19,646,378	361,224	23,930,187
Total Assets		302,951	19,646,378	364,395	24,140,242
II. EQUITY AND LIABILITIES					
(1) Equity					
(a) Equity Share capital	5	30,651	1,987,702	30,651	2,030,536
(b) Other Equity		272,300	17,658,676	270,379	17,911,947
Total Equity		302,951	19,646,378	301,030	19,942,483
Liabilities					
(1) Current Liabilities					
(a) Financial liabilities:					
(i) Trade payables		-	-	41,784	2,768,050
(b) Current tax liabilities (net)		-	-	21,581	1,429,708
Total Current Liabilities		-	-	63,365	4,197,759
Total Liabilities		-	-	63,365	4,197,759
Total Equity and Liabilities		302,951	19,646,378	364,395	24,140,242

Notes forming part of Financial Statements

1-11

For and on behalf of the Board of Directors

Warren Harris
Nick Sale

Director
Director

Place: Germany
Date:

Cambric GmbH
Statement of Profit and Loss for the period ended Mar 31, 2017

Particulars	Note No	(Amount in USD)	(Amount in INR)	(Amount in USD)	(Amount in INR)
		Year ended March 31, 2017	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2016
I. Revenue from operations	6	-	-	661,074	43,794,497
II. Other income	7	11,123	721,318	123	8,145.79
III. Total Income (I + II)		<u>11,123</u>	<u>721,318</u>	<u>661,197</u>	<u>43,802,643</u>
IV. Expenses :					
(a) Consultancy fees, softwares and others	8	3,377	219,011	474,047	31,404,421
(b) Employee benefits expense	9	283	18,335	92,056	6,098,477
(c) Other expenses	10	22,852	1,481,971	52,551	3,481,376
Total expenses (IV)		<u>26,512</u>	<u>1,719,317</u>	<u>618,654</u>	<u>40,984,274</u>
V. Profit before tax (III-IV)		(15,389)	(997,999)	42,543	2,818,369
VI. Tax Expense :					
(a) Current tax		(36,128)	(2,342,900)	23,422	1,551,627
		<u>(36,128)</u>	<u>(2,342,900)</u>	<u>23,422</u>	<u>1,551,627</u>
VII. Profit for the year (V-VI)		20,739	1,344,901	19,121	1,266,741
VIII. Other comprehensive income:					
(i) Exchange differences on translation of foreign operations		(18,818)	(1,220,320)	14,377	952,445
IX. Other comprehensive income for the year		<u>(18,818)</u>	<u>(1,220,320)</u>	<u>14,377</u>	<u>952,445</u>
X. Total comprehensive income for the period (VII+IX)		<u>1,921</u>	<u>124,581</u>	<u>33,498</u>	<u>2,219,187</u>

Notes forming part of Standalone Financial Statements

1-11

For and on behalf of the Board of Directors

Warren Harris
Nick Sale

Director
Director

Place: Germany
Date:

Cambric GmbH
Cash Flow Statement

	(Amount in USD)	(Amount in INR)	(Amount in USD)	(Amount in INR)
	Year ended	Year ended	Year ended	Year ended
	March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit after taxation	20,739	1,344,901	61,036	4,043,495
Provision for income tax	(36,128)	(2,342,900)	23,422	1,551,627
Goodwill write off on account of liquidation	3,171	205,623	-	-
Operating profit before working capital changes	(12,219)	(792,376)	84,458	5,595,123
Adjustments for (Increase) / Decrease in operating assets and liabilities				
Trade receivables	139,525	9,048,179	82,352	5,455,592
Other current assets	19,460	1,261,958	55,487	3,675,851
Other liabilities	-	-	(46,403)	(3,074,085)
Short Term Provision	-	-	(27,914)	(1,849,236)
Trade payables	(41,782)	(2,709,593)	16,650	1,103,034
CASH (USED IN) / GENERATED FROM OPERATIONS	104,983	6,808,168	164,630	10,906,279
Income taxes paid (net)	695.55	45,107	-	-
NET CASH FLOW (USED IN)/GENERATED FROM OPERATING ACTIVITIES	105,679	6,853,275	164,630	10,906,279
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS				
Cash & Bank balances at the close of the year (Refer Note 3) #	105,679	6,853,275	164,630	10,906,279
Cash & Bank balances at the beginning of the year (Refer Note 3) #	289,022	18,743,064	202,161	13,392,692
Cash & Bank balances at the beginning of the year (Refer Note 3) #	202,161	13,110,174	23,154	1,533,882
Add: Translation adjustment	18,818	1,220,385	14,377	952,531
	105,679	6,853,275	164,630	10,906,279

Notes forming part of Financial Statements

1-11

For and on behalf of the Board of Directors

Warren Harris
Nick Sale

Director
Director

Place: Germany

Date:

Cambric GmbH
Statement of changes in equity

(Amount in USD)

Other Equity	Equity Share Capital			Total equity
		Retained earnings	Currency translation reserve	
Balance as at April 1, 2015	30,651	242,922	(47,956)	225,617
Income for the year	-	61,036	14,377	75,413
Total comprehensive income/(loss) for the year	30,651	303,958	(33,579)	301,030
Dividend paid (including dividend tax)	-	-	-	-
Balance as at March 31, 2016	30,651	303,958	(33,579)	301,030
Balance as at April 1, 2016	30,651	303,958	(33,579)	301,030
Income for the year	-	20,739	-	20,739
Other comprehensive income/(loss) for the year	-	-	(18,818)	(18,818)
Total comprehensive income/(loss) for the year	30,651	324,696	(52,396)	302,951
Dividend paid (including dividend tax)	-	-	-	-
Balance as at March 31, 2017	30,651	324,696	(52,396)	302,951

(Amount in INR)

Other Equity	Equity Share Capital			Total equity
		Retained earnings	Currency translation reserve	
Balance as at April 1, 2015	2,030,536	16,092,951	(3,176,944)	14,946,543
Income for the year	-	4,043,495	952,445	4,995,941
Total comprehensive income/(loss) for the year	2,030,536	20,136,446	(2,224,499)	19,942,483
Dividend paid (including dividend tax)	-	-	-	-
Balance as at March 31, 2016	2,030,536	20,136,446	(2,224,499)	19,942,483
Balance as at April 1, 2016	1,987,702.09	19,711,668	(2,177,573)	19,521,797
Income for the year	-	1,344,901	-	1,344,901
Other comprehensive income/(loss) for the year	-	-	(1,220,320)	(1,220,320)
Total comprehensive income/(loss) for the year	1,987,702	21,056,569	(3,397,893)	19,646,378
Dividend paid (including dividend tax)	-	-	-	-
Balance as at March 31, 2017	1,987,702	21,056,569	(3,397,893)	19,646,378

Notes forming part of Standalone Financial Statements

1-11

For and on behalf of the Board of Directors

Warren Harris
Nick Sale

Director
Director

Place: Germany
Date:

Cambric GmbH
Notes forming part of the Financial Statements

	(Amount in USD)	(Amount in INR)	(Amount in USD)	(Amount in INR)
	As at	As at	As at	As at
	March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016
2 TRADE RECEIVABLES				
(Unsecured, considered good unless otherwise stated)				
Considered good	-	-	139,525	9,243,164
Considered doubtful	-	-	-	-
	-	-	139,525	9,243,164
Less : Expected credit loss allowance	-	-	-	-
	-	-	139,525	9,243,164
	-	-	139,525	9,243,164

The average credit period on sales of goods and services is 30-60 days.

Before accepting any new Customer, it is ensured that the Credit limit is in order to the customers and all the required approvals are obtained as per the policy. Credit Limits are reviewed from time to time based on the operations in the customer account.

Further, customers which represents more than 5% of Gross Trade Receivables are as follows :

1. Caterpillar Motoren GmbH & Co KG USD NIL (USD 139,525 as at March 31, 2016)

The company provides a loss allowance on case to case basis at the end of each reporting period. An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a larger number of customers that are outstanding for upto 180 days are assessed for impairment collectively.

Ageing of receivables

	(Amount in USD)	(Amount in INR)	(Amount in USD)	(Amount in INR)
	As at	As at	As at	As at
	March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016
Within the credit period	-	-	139,525	9,243,164
1-30 days past due	-	-	-	-
30-60 days past due	-	-	-	-
61-90 days past due	-	-	-	-
91-180 days past due	-	-	-	-
180-365 days past due	-	-	-	-
365 days past due	-	-	-	-
	-	-	139,525	9,243,164

Movement in the expected credit loss allowance

	(Amount in USD)	(Amount in INR)	(Amount in USD)	(Amount in INR)
	As at	As at	As at	As at
	March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016
Balance at the beginning of the year	-	-	-	-
Movement in expected credit allowance on trade receivables	-	-	-	-
Reversal of provisions for debts paid (Capital Reduction)	-	-	-	-
Balance at the end of the year	-	-	-	-

3 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:

	(Amount in USD) As at March 31, 2017	(Amount in INR) As at March 31, 2017	(Amount in USD) As at March 31, 2016	(Amount in INR) As at March 31, 2016
(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))	289,022	18,743,064	202,161	13,392,692
(d) Bank deposits less than 3 months maturity	-	-	-	-
	289,022	18,743,064	202,161	13,392,692

Notes :

(i) In foreign currencies	-	-	-	-
(ii) Cheques, drafts on hand	-	-	-	-
(iii) Remittances in transit	-	-	-	-

4 OTHER CURRENT ASSETS

(a) VAT, other taxes recoverable, statutory deposits	78	5,069	19,538	1,294,331
	78	5,069	19,538	1,294,331

Cambric GmbH
Notes forming part of the Financial Statements

	(Amount in USD)	(Amount in INR)	(Amount in USD)	(Amount in INR)
	As at	As at	As at	As at
	March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016
5 Equity Share Capital				
(a) Issued,Subscribed and Fully paid up capital:				
EUR 25,000	30,651	1,987,702	30,651	2,030,536
Total	30,651	1,987,702	30,651	2,030,536

Cambric GmbH
Notes forming part of the Financial Statements

	(Amount in USD)	(Amount in INR)	(Amount in USD)	(Amount in INR)
	Year ended	Year ended	Year ended	Year ended
	March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016
6 REVENUE FROM OPERATIONS				
(a) Sale of services	-	-	661,074	43,794,497
	-	-	661,074	43,794,497
	(Amount in USD)	(Amount in INR)	(Amount in USD)	(Amount in INR)
	Year ended	Year ended	Year ended	Year ended
	March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016
7 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	-	-	123	8,146
(a) Other non-operating income				
(i) Foreign currency gain (net)	11,123	721,318	-	-
	11,123	721,318	123	8,146

Cambric Gmbh
Notes forming part of the Financial Statements

	(Amount in USD)	(Amount in INR)	(Amount in USD)	(Amount in INR)
	Year ended	Year ended	Year ended	Year ended
	March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016
8 CONSULTANCY FEES, SOFTWARES AND OTHERS				
(a) Outsourcing charges	-	-	-	-
(b) Professional fees	3,377	219,011	432,132	28,627,667
(c) Training Costs	-	-	464	30,729
(d) Intercompany Expenses	-	-	41,451	2,746,025
	3,377	219,011	474,047	31,404,421

	(Amount in USD)	(Amount in INR)	(Amount in USD)	(Amount in INR)
	Year ended	Year ended	Year ended	Year ended
	March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016
9 EMPLOYEE BENEFIT EXPENSE				
(a) Salaries and wages	-	-	86,835	5,752,592
(b) Staff welfare expenses	283	18,335	5,221	345,885
	283	18,335	92,056	6,098,477

	(Amount in USD)	(Amount in INR)	(Amount in USD)	(Amount in INR)
	Year ended	Year ended	Year ended	Year ended
	March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016
10 OTHER EXPENSES				
(a) Rent	-	-	1,325	87,796
(b) Rates and taxes	21,756	1,410,861	-	-
(c) Travelling & conveyance	-	-	42,153	2,792,499
(d) Staff training and seminar expenses	-	-	232	15,364
(e) Bad debts written off	-	-	7,054	467,342
(f) Miscellaneous expenses	1,097	71,110	1,787	118,374
	22,852	1,481,971	52,551	3,481,376

11 (a) **Related Party disclosures**

A statement of transactions with related parties has been attached herewith:

(Amount in USD)	
Particulars	Tata Technologies Inc. Limited
Services received	- (365,213)
Amount payable	- (39,302)

Previous year's figures are shown in the brackets

Disclosure of material transactions:

Services received:

Tata Technologies Europe Limited: USD Nil (March 31, 2016 USD 365,213)

Transactions with related parties

(Amount in INR)	
Particulars	Tata Technologies Inc. Limited
Services received	- (24,194,430)
Amount payable	- (2,603,630)

11 (b) **Conversion into Indian Rupees**

The financial information is expressed in US \$ only in the audited 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 US \$ = ₹ 64.85001 as on March 31, 2017. 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.

- 11 (c) 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 Deloitte Haskins & Sells, Chartered Accountants and is included in its financial statements.

Directors Report

TO THE MEMBERS OF Cambric GmbH

The Directors hereby present the Fourteenth Annual Report on the Business and Operations of the Company and Statement of Accounts for the year ended March 31, 2017.

12.1 FINANCIAL RESULTS

The Financial Results of the Company for the year ended March 31, 2017 are as follows:

	(In US \$)	(In INR)
Income	11,123	721,318
Profit for the year	20,738	1,344,836

12.2 OPERATIONS

Cambric GmbH (the Company) is an engineering services entity. It was formed in 2002 to enable Cambric to provide services to European clients. Currently, the entity is 100% dedicated to providing engineering services in Germany to Cambric customers, on-site at the customer facilities (customer purchase orders are assigned from Cambric Corporation to Cambric GmbH). It does not perform individual sales and marketing or any management functions.

The company is in the process of liquidation.

12.3 DIVIDEND

The Board of Directors have not recommended any dividend on equity capital of the Company during the year under reference.

12.4 PUBLIC DEPOSITS

The Company has not accepted any deposits from the public.

12.5 CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION

The operations of the Company are such that they are not deemed as energy intensive. However, the Company constantly makes effort to avoid excessive consumption of energy and encourage conservation of energy.

12.6 AUDIT

The Company is not required to obtain an audit opinion as per local regulations. Therefore, the financial statements of the Company for the year ended March 31, 2017 has not been audited.

12.7 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;
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 ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12.8 ACKNOWLEDGMENTS

Your Directors would like to express their heartfelt gratitude to all the customers, business partners and bankers for their continued support and association. The Directors also wish to thank the Government and all the statutory authorities for their support and co-operation.

The Directors would also like to place on record their appreciation of the dedicated, individual and collective contribution of all the employees in the overall growth and progress of the Company during the last year.

On behalf of the Board of Directors;

Mr. Warren Harris Director

Mr. Nick Sale Director

Place: Germany

Date: