SORAB S. ENGINEER & CO. (Regd.)
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of Arya Omnitalk Radio Trunking Services Pvt. Ltd.

Report on the IND AS Financial Statements

We have audited the accompanying IND AS Financial Statements of **Arya Omnitalk Radio Trunking Services Pvt. Ltd.** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "IND AS Financial Statements").

Management's Responsibility for the IND AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these IND AS Financial Statements based on 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.

We conducted our audit of the 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 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 IND AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 IND AS Financial

SORAB S. ENGINEER & CO. FIRM REG. 110417W MUMBAI CHARTERED ACCOUNTANTS

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 IND AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 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 including the IND AS, of the state of affairs of the Company as at 31st March, 2018, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 I a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

2. As required by section 143(3) of the Act, 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), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid 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 as on 31st March 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With reference 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 II.

   (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, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its

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IND AS Financial Statements (Refer Note No. 22 to the IND AS Financial Statements);

ii. We are informed that the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W

CA N.D. Anklesaria
Partner
Membership No. 10250

SORAB S. ENGINEER & CO.
FIRM REG. NO. 110417W
MUMBAI
CHARTERED ACCOUNTANTS

Pune
May 22, 2018

ANNEXURE "I" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF ARYA OMNITALK RADIO TRUNKING SERVICES PVT. LTD.

Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date,

(i) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) As explained to us, the fixed assets have been physically verified by the management during the year in accordance with a phased programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. We are informed that no material discrepancies were noticed on such verification.

(c) The Company does not hold any immovable properties and thus disclosure under clause (i)-(c) of paragraph 3 of the Order are not applicable.

(ii) As the Company is a pure service entity, the Company does not have any inventory and hence reporting under clause (ii) of paragraph 3 of the Order is not applicable.

(iii) According to information and explanation given to us, the Company has not granted any secured / unsecured loans to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, requirements of clause (iii) of paragraph 3 of the order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of Loans, making investments and providing guarantees and securities as applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vi) According to the information and explanations given to us, the Company is not engaged in production of any goods. Consequently, maintenance of cost records under section 148 (1) of the Act is not applicable.

(vii) (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Goods and Service Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value added tax, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

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SORAB S. ENGINEER & CO. FIRM REG. NO. 110417W MUMBAI CHARTERED ACCOUNTANTS

(b) According to the records of the Company, following Service Tax liability has not been deposited as on March 31, 2018 on account of any dispute:

Name of the Statute	Nature of the dues	Amount Rs. (In Lakhs)	Period to which the amount relates	Forum where matter is Pending
Finance Act, 1994	Service Tax	87.10	2008-09	Tribunal

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Financial Institutions and Banks.

(ix) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer. However, the term loans obtained during the year were, *prima facie,* applied by the Company for the purpose for which they were raised.

(x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) To the best of our knowledge and belief and according to the information and explanations given to us, no managerial remuneration has been paid/provided during the year.

(xii) The Company is not a Nidhi Company. Consequently, requirements of clause (xii) of paragraph 3 of the Order are not applicable.

(xiii) To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the necessary details have been disclosed in the IND AS Financial Statements etc. as required by the applicable accounting standards.

(xiv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares during the year under review. Provisions of section 42 of the Act have been complied with in respect of unsecured optionally convertible debentures issued by the company during the year and the amount raised has been used for the purpose for which the funds were raised.

(xv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

SORAB S. ENGINEER & CO. FIRM REG. NO. 110417W MUMBAI CHARTERED ACCOUNTANTS

(xvi) According to the nature of the business, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W

CA N.D. Anklesaria
Partner
Membership No. 10250

SORAB S. ENGINEER & CO. FIRM REG. NO. 110417W MUMBAI CHARTERED ACCOUNTANTS

Pune
May 22, 2018

ANNEXURE "II" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF ARYA OMNITALK RADIO TRUNKING SERVICES PVT. LTD.

Report on the Internal Financial Controls 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 Arya Omnitalk Radio Trunking Services Pvt. Ltd. ("the Company") as of March 31, 2018 in conjunction with our audit of the IND AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 (ICAI)". 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, including adherence to company's policies, 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with the 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 IND AS 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.

SORAB S. ENGINEER & CO. FIRM REG. NO. 110417W MUMBAI CHARTERED ACCOUNTANTS

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 IND AS 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 IND AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the IND AS Financial Statements.

Inherent 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, 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 **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W

CA N.D. Anklesaria
Partner
Membership No. 10250

SORAB S. ENGINEER & CO.
FIRM REG. NO. 110417W
MUMBAI
CHARTERED ACCOUNTANTS

Pune
May 22, 2018

Arya Omnitalk Radio Trunking Services Pvt Ltd
Balance Sheet as at March 31, 2018

Rs. In lacs

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	5	496.12	398.66
(b) Intangible assets	6	2.99	3.09
(c) Deferred tax assets (net)	7.2	101.80	98.48
Total non-current assets		600.91	500.23
II.Current assets			
(a) Financial assets	8		
(i) Trade receivables	8.1	920.94	716.08
(ii) Cash and cash equivalents	8.2	48.87	25.47
(iii) Bank balance other than (ii) above	8.3	6.23	2.33
(iv) Loans	8.4	881.19	896.17
(v) Others financial assets	8.5	168.26	154.42
(b) Other current assets	9	87.92	100.83
Total current assets		2,113.41	1,895.30
Total Assets		2,714.32	2,395.53
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	201.25	201.00
(b) Other equity	11	1,343.99	1,222.32
(i) Securities premium account		703.00	700.00
(ii) General reserve		15.53	15.53
(iii) Retained earnings		470.42	351.84
(iv) Capital reserve		154.95	154.95
(v) Equity Portion of 9% Unsecured Optionally Convertible Debentures		0.09	-
Total equity		1,545.24	1,423.32
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
Debentures	12	0.16	-
Borrowings	12.1	11.62	27.26
Other Financial Liabilities	12.3	1.45	1.45
(b) Long-term provisions	13	88.97	93.87
Total non-current liabilities		102.20	122.58
II.Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12.1	39.84	30.02
(ii) Trade payables	12.2	113.65	45.21
(iii) Other financial liabilities	12.3	780.38	662.31
(b) Other current liabilities	14	17.10	18.17
(c) Short-term provisions	13	33.35	29.10
(d) Current tax liabilities (net)	15	82.56	64.82
Total current liabilities		1,066.88	849.63
Total Equity and liabilities		2,714.32	2,395.53
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Sorab S. Engineer & Co.
Chartered Accountants
FRN : 110417W

CA N.D. Anklesaria
Partner
Membership No. 10250
Place : Pune
Date : May 22, 2018

For and on behalf of the board of directors of
Arya Omnitalk Radio Trunking Services Pvt Ltd

Mayank Shah
Director
DIN: 00076380

Rajen Kaul
Director
DIN: 00030662

Shyam Sundar Agarwal
Chief Financial Officer
Place : Pune
Date : May 22, 2018

ARYA OMNITALK RADIO TRUNKING SERVICES PVT. LTD. PUNE

Arya Omnitalk Radio Trunking Services Pvt Ltd
Statement of Cash flows for the year ended March 31, 2018

Rs lakhs

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
A Operating activities				
Profit Before Taxation		212.78		289.91
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation /Amortization	60.23		71.66	
Interest Income	(93.28)		(95.25)	
(Profit)/Loss on Sale of Tangible/Intangible assets	(1.45)		6.41	
		(34.50)		(17.18)
Operating Profit before Working Capital Changes		**178.28**		**272.73**
Working Capital Changes:				
Changes in Trade Receivables	(204.86)		(49.04)	
Changes in Loans	14.98		118.87	
Changes in Financial Assets	(13.84)		0.65	
Changes in Other current assets	12.91		26.08	
Change in Borrowings	(5.82)		8.83	
Changes in Provisions	(0.65)		(0.97)	
Changes in Other Liabilities	(1.07)		(5.17)	
Changes in Financial liabilities	118.07		0.01	
Changes in trade payables	68.50		(46.77)	
Changes in Current Tax Liabilities				
Net Changes in Working Capital		**-11.78**		**52.49**
Cash Generated from Operations		**166.50**		**325.22**
Direct Taxes paid (Net of Income Tax refund)		(79.78)		(114.43)
Net Cash from Operating Activities		**86.72**		**210.79**
B Cash Flow from Investing Activities				
Purchase of tangible/intangible assets	(157.63)		(58.19)	
Sale of tangible assets	1.43		0.50	
Interest Income	93.28		95.25	
Net cash flow from Investing Activities		**-62.92**		**37.56**
C Cash Flow from Financing Activities				
Increase in Equity	0.25			
Increase in Security Premium	3.00			
Issue of Debenture	0.25			
Dividend Paid including Additional Dividend			(241.20)	
Dividend Distribution Tax Paid			(49.10)	
Dividend Distribution Tax Reversal	-		-	
Net Cash flow from Financing Activities		**3.50**		**(290.30)**
Net Increase/(Decrease) in cash & cash equivalents		**27.30**		**(41.95)**
Cash & Cash equivalent at the beginning of the period		27.80		69.75
Cash & Cash equivalent at the end of the period		**55.10**		**27.80**

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents comprise of: (Note 8)		
Cash on Hand	0.46	1.31
Cheques on Hand	-	-
Balances with Banks	54.64	26.49
Cash and cash equivalents	**55.10**	**27.80**
Effect of Exchange Rate Changes	-	-
Cash and cash equivalents as restated	**55.10**	**27.80**

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Sorab S. Engineer & Co.
Chartered Accountants
FRN : 110417W

CA N.D. Anklesaria
Partner
Membership No. 10250
Place : Pune
Date : May 22, 2018

For and on behalf of the board of directors of
Arya Omnitalk Radio Trunking Services Pvt Ltd

Mayank Shah
Director
DIN: 00076380

Rajen Kaul
Director
DIN: 00030662

Shyam Sundar Agarwal
Chief Financial Officer
Place : Pune
Date : May 22, 2018

ARYA OMNITALK RADIO TRUNKING SERVICES PVT. LTD. ★ PUNE

Arya Omnitalk Radio Trunking Services Pvt Ltd
Statement of Profit and Loss for the year ended March 31, 2018

Rs. In lacs

Particulars	Notes	Year ended March 31 2018	Year ended March 31, 2017
Income			
Sale of Products			
Revenue from operations	16	2903.99	2908.80
Other income	17	94.73	119.45
Total income (I)		2998.72	3,028.25
Expenses			
Employee benefits expense	18	1445.63	1246.43
Finance costs	19	6.14	4.82
Depreciation and amortisation expense	20	60.23	71.66
Other expenses	21	1273.94	1415.43
Total expenses (II)		**2785.94**	**2,738.34**
Profit/ (loss) before exceptional items and tax (III) = (I-II)		212.78	289.91
Exceptional items (IV)			-
Profit before tax (V) = (III-IV)		**212.78**	**289.91**
Tax expense			
Current tax	7.1	97.52	118.04
Excess provision of earlier years		-	(10.44)
Deferred tax	7.2	(3.32)	(14.28)
Total tax expense (VI)		**94.20**	**93.32**
Profit for the period (VII) = (V-VI)		**118.58**	**196.59**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans		-	(13.37)
Income tax effect	7.1	-	4.42
Net gain / (loss) on FVOCI equity instruments			-
Income tax effect			-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (VIII)		**0.00**	**(8.95)**
Total comprehensive income for the period, net of tax (VII+VIII)		118.58	187.64
Earning per equity share			
Equity Shares of par value Rs.10/- each			
Basic	27	5.90	9.78
Diluted	27	5.90	9.78

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Sorab S. Engineer & Co.
Chartered Accountants
FRN : 110417W

CA N.D. Anklesaria
Partner
Membership No. 10250
Place : Pune
Date : May 22, 2018

For and on behalf of the Board of Directors of
Arya Omnitalk Radio Trunking Services Pvt Ltd

Mayank Shah
Director
DIN: 00076380

Rajen Kaul
Director
DIN: 00030662

Shyam Sundar Agarwal
Chief Financial Officer
Place : Pune
Date : May 22, 2018

ARYA OMNITALK RADIO TRUNKING SERVICES PVT. LTD. PUNE

1 **Corporate Information**

Arya Omnitalk Radio Trunking Services Private Limited ('AORTSPL' or 'the Company') is a private limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India on July 22, 2003.

The registered office of the Company is at Pune. The Company is engaged in providing Public Mobile Radio Trunking Services ('PMRTS'), duly licensed by the Department of Telecommunication having validity for a period of 20 years from the date of issue/renewal, to its subscribers.

The financial statements were authorised for issue in accordance with a resolution of the directors on **22 May, 2018.**

2 **Basis of preparation**

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost basis, except for the followings :
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans – plan assets measured at fair value

The financial statements are presented in INR.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

3 **Summary of Significant Accounting Policies**

The following are the significant accounting policies applied by the company in preparing its financial statements.

3.1 **Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is 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;
- It is 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.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

3.2 **Fair value measurement**

The company measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability

Or

• In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

3.3 **Property, plant and equipment**

Property, plant and equipment stated at cost of acquisition less accumulated depreciation. Cost includes purchase price, freight, duties, taxes and other incidental expenses related to acquisition and installation of the assets. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation

Depreciation on property, plant and equipment is provided on the straight line method over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act 2013.

The management estimates the useful lives as follows:

Asset Head	Useful Life
Furniture and fixtures	10 years
Plant and machinery	15 years
Office equipments	5 years
Computers	3 Years
Electrical installations	10 years
Vehicle	8 years

Assets costing individually Rs. 5,000 or less are depreciated at the rate of 100%.

Assets purchased before 16th of each month are depreciated for the entire month. Assets purchased after 16th of each month are depreciated from the next month.

The residual values and useful lives of each property, plant and equipment are reviewed at each financial year end and adjusted, if appropriate at the end of the reporting period.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment at fair value as at April 1, 2015 measured as per the previous GAAP and used that fair value as deemed cost of the property, plant and equipment.

3.4 **Lease**

Lease in which significant portion of the risk and rewards of ownership are not transferred to the company as lessee are classified as operating leases.

Payments made under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with excepted general inflation to compensate for the lessor's expected inflationary cost increases

3.5 **Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Losswhen the asset is derecognised.

Amortisation

Software and Trademark are amortized over management estimate of its useful life of 5 years or License Period whichever is lower

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets at fair value as at April 1, 2015 measured as per the previous GAAP and used that fair value as deemed intangible asset.

3.6 Borrowing cost

All borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.7 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from Services

Revenue from Air-time is recognised proportionately over the period of the contract as per terms of the contract entered into with the customer. Income is recorded net of service tax.

Income from service operations is recognised over the period of the contract as per the terms of the contract. Income is recorded net of service tax

Interest Income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

3.8 Financial instruments – initial recognition and subsequent measurement

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.

a) Financial assets

i. Initial recognition and measurement of financial assets

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

ii. Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

• Financial assets at amortised cost :

A financial asset is measured at amortised cost if:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

• Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

• Financial assets at fair value through profit or loss

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognised in Statement of profit and loss.

iii.Derecognition of financial assets

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire,

or

- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

iv.Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

• Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and bank balance

• Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables resulting from transactions within the scope of Ind AS 18, if they do not contain a significant financing component

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The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

b) Financial Liabilities

i.Initial recognition and measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

The Company's financial liabilities include trade and other payables and borrowings including bank overdrafts.

ii.Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

- **Borrowings**

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.
This category generally applies to borrowings.

iii. Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.9 **Cash and cash equivalent**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.10 **Taxes**

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Current incometax are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

3.11 **Employee Benefits**

a)Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, exgratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

b)Post Employement Benefits

(i) Defined contribution plan

The Company's contribution to provident fund, super annuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity fund isCompany's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:
• The date of the plan amendment or curtailment, and
• The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:
• Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
• Net interest expense or income

c) Other long term employment benefits:

The employee's long term compensated absences are Company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

3.12 Foreign currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the company's functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in profit or loss.

3.13 Earnings per share

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit / Loss attributable to ordinary equity share holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares

3.14 Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Companyexpects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.15 Impairment of assets of Non-financial assets

The carrying amounts of the Company's assets are reviewed on each Balance sheet date to determine whether there is any indication of impairment. If any such indications exist, the asset's recoverable amount is estimated as the higher of the net selling price and the value in use. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. If at the Balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable is reassessed and the asset is reinstated at the recoverable amount subject to a maximum of depreciable historical cost.

4.1 **Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.2 **Estimates and assumption**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

4.3 **Defined Benefit Plans**

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables.Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country.

Further details about defined benefit obligations are provided in Note 24

4.4 **Allowance for uncollectible trade receivables**

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience.. The carrying amount of allowance for doubtful debts is Rs.268.68 Lakhs (March 31, 2017 : Rs. 128.65 Lakhs)

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Arya Omnitalk Radio Trunking Services Pvt Ltd
Notes to and Forming Part of the Financial Statements for the year ended 31 March 2018

Note 5 : Property, plant and equipment

` In lacs

Fixed Assets	Plant & Machinery	Furniture & fixture	Vehicles	Office equipment	Computer, server & network	Electrical Installation	Total
Cost							
As at March 31, 2017	1,392.82	21.20	58.43	34.00	31.36	1.93	1,539.74
Additions	84.82	15.76	34.60	4.37	16.23		155.78
Deductions	41.74	0.02	5.11	1.30	0.43		48.60
As at March 31, 2018	1,435.90	36.94	87.92	37.07	47.16	1.93	1,646.92
Depreciation and Impairment							
As at March 31, 2017	1,069.47	4.20	19.49	22.70	25.00	0.22	1,141.08
Depreciation for the year	35.88	4.02	8.35	4.04	5.88	0.18	58.35
Deductions	41.76	0.02	5.12	1.30	0.43	0.00	48.63
As at March 31, 2018	1,063.59	8.20	22.72	25.44	30.45	0.40	1,150.80
Net Block							
As at March 31, 2018	372.31	28.74	65.20	11.63	16.71	1.53	496.12
As at March 31, 2017	323.35	17.00	38.94	11.30	6.36	1.71	398.66

Arya Omnitalk Radio Trunking Services Pvt Ltd
Notes to and Forming Part of the Financial Statements for the year ended 31 March 2018

Note 6 : Intangible assets

` In lacs

Intangible assets	Computer Software	Trade Mark	Total
Cost			
As at April 1, 2017	**28.84**	**5.36**	**34.20**
Additions	**1.85**	-	1.85
Deductions	**0.07**	-	0.07
As at 31, March, 2018	**30.62**	**5.36**	**35.98**
Amortisation and Impairment			
As at April 1, 2017	**25.83**	**5.28**	**31.11**
Amortisation for the Year	**1.85**	**0.03**	1.88
Deductions	-	-	-
As at 31, March, 2018	**27.68**	**5.31**	**32.99**
Net Block			
As at 31, March, 2018	**2.94**	**0.05**	**2.99**
As at 31, March, 2017	**3.01**	**0.08**	**3.09**

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Arya Omnitalk Radio Trunking Services Pvt Ltd

Notes to and Forming Part of the Financial Statements for the year ended 31 March 2018

Note 7 : Income Tax

7.1 The major component of income tax expense for the year ended March 31, 2018

` In lacs

Particulars	March 31, 2018	Year ended March 31, 2017
Statement of Profit and Loss (Including OCI)		
Current tax		
Current income tax	97.52	118.04
Current Tax Expenses pertains to prior years		-10.44
Deferred tax		
Deferred tax expense	-3.32	-14.28
Deferred tax expense - OCI		-4.42
Income Tax expense reported in the statement of profit and loss (Including OCI)	**94.20**	**88.90**

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2018.

Current tax

Particulars	March 31, 2018	Year ended March 31, 2017
Profit before income taxes	212.78	276.53
Enacted Tax Rates in India	27.55%	33.06%
Computed Income Tax Expense	58.62	91.42
Non-deductible expenses	0	-
Excess / short provision	-	-10.44
Other adjustments (including change in tax rate)	35.58	7.92
At the effective income tax rate of 27.55% (March 31, 2017 : 33.06%)	**94.20**	**88.90**

7.2 Deferred tax

Particulars	March 31, 2018	Year ended March 31, 2017
Accelerated depreciation in books	0.29	15.28
Provision for doubtful debt (allowance for ECL)	74.03	40.66
Provision for gratuity and leave	27.48	42.54
Others		
Deferred tax (expense)/income		
Net deferred tax assets/(liabilities)	**101.80**	**98.48**
Reflected in the balance sheet as follows		
Deferred tax assets	101.80	98.48
Deferred tax liabilities		
Deferred tax liabilities (net)	**101.80**	**98.48**

7.3 The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 8 : Financial assets

8.1 Trade receivables

Rs In lacs

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Unsecured, considered good	920.94	716.08
Doubtful	268.68	128.65
Less : Allowance for doubtful debts	-268.68	-128.65
	920.94	**716.08**
Total Trade and other receivables	**920.94**	**716.08**
Non-current		-
Current	**920.94**	**716.08**

Note: Trade receivables include debts due from:

Particulars	As at March 31, 2018	As at March 31, 2017
Private companies which are related parties (having common Key Managerial Person exercising significant influnce) - Arya Omnitalk Wireless Solutions Pvt Ltd	78.88	153.79

Allowance for doubtful debts

Company has provided allowance for doubtful debts based on the lifetime expected credit loss model using pro
Movement in allowance for doubtful debt :

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the year	128.65	79.99
Add : Allowance for the year	144.56	74.9
Less : Write off of bad debts (net of recovery)	-4.53	-26.24
Balance at the end of the year	**268.68**	**128.65**

8.2 Cash and cash equivalent

Particulars	As at March 31, 2018	As at March 31, 2017
Balance with Bank		
In Current and Deposit accounts	48.41	24.16
Cash on hand	0.46	1.31
Total cash and cash equivalents	**48.87**	**25.47**

8.3 Other bank balance

Particulars	As at March 31, 2018	As at March 31, 2017
Deposits with original maturity of more than three months but less than 12 months	6.23	2.33
Total other bank balances	**6.23**	**2.33**

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Rs Indacs

8.4 Loans

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Unsecured considered good		
Intercorporate Deposits	881.19	896.17
Total Loans	**881.19**	**896.17**

8.5 Other financial assets

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured considered good		
Current		
Security deposits	151.75	154.42
Accrued Interest on Intercorporate Deposits	16.51	
Total other financial assets	**168.26**	**154.42**

Particulars	As at March 31, 2018	As at March 31, 2017
Trade receivables	920.94	716.08
Loans	881.19	896.17
Cash & Cash equivalents	48.87	25.47
Other Bank balances	6.23	2.33
Other financial assets	168.26	154.43
Total financial assets	**2,025.49**	**1,794.49**
Non- current	-	-
Current	**2,025.49**	**1,794.49**

Note 9 : Other current / non-current assets

Particulars	As at March 31, 2018	As at March 31, 2017
Non-current		
Capital advances	-	-
Total Non-Current Assets		-
Current		
Unsecured , considered good		
Advance to suppliers against Supplies and Services	8.99	5.02
Capital Advances	-	
Balance with government authorities (Net)	0.55	14.23
Prepaid expenses	69.53	74.15
Advance to employees	8.85	7.43
Total Current Assets	**87.92**	**100.83**

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Arya Omnitalk Radio Trunking Services Pvt Ltd
Notes to and Forming Part of the Financial Statements for the year ended 31 March 2018

Note 10 : Equity share capital

Rs In lacs

Particulars	As at March 31, 2018 No. of shares		As at March 31, 2017 No. of shares	
Authorised share capital				
Equity shares of Rs.10 each	20,50,000	205.00	20,50,000	205.00
Issued and subscribed share capital				
Equity shares of Rs.10 each	20,50,000	205.00	20,50,000	205.00
Subscribed and fully paid up				
Equity shares of Rs.10 each	20,12,500	201.25	20,10,000	201.00
Total	20,12,500	201.25	20,10,000	201.00

10.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting year

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of shares	Rs (In Lacs)	No. of shares	Rs (In Lacs)
At the beginning of the year	20,10,000	201.00	20,10,000	201.00
Add :				
Shares allotted pursuant to exercise of Conversion of Unsecured Optionally Convertible Debentures	2,500	0.25	-	-
Outstanding at the end of the year	20,12,500	201.25	20,10,000	201.00

10.2. Terms/Rights attached to the equity shares

The Company has one class of shares referred to as equity shares having a par value of Rs.10 each. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

10.3 Shares held by the holding Company and subsidiaries of holding Company in aggregate

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Aryadoot Transport Private Limited	10,07,500	50.06%	10,05,000	50.00%

10.4 Number of Shares held by each shareholder holding more than 5% Shares in the company

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Aryadoot Transport Private Limited	10,07,500	50.06%	10,05,000	50.00%
Arvind Limited	10,05,000	49.94%	10,05,000	50.00%

10.5

No shares have been bought back during the last 5 years

During the last 5 years, the Company has neither issued any bonus shares nor alloted any shares pursuant to a contract without payment being received in Cash.

Arya Omnitalk Radio Trunking Services Pvt Ltd
Notes to and Forming Part of the Financial Statements for the year ended 31 March 2018

Note 11 : Other Equity Rs In lacs

Particulars	March 31, 2018	March 31, 2017
Reserves & Surplus		
Capital reserve		
Balance as per last financial statements	154.95	154.95
Add/Less: Adjustment for the year		-
Balance at the end of the year	**154.95**	**154.95**
General reserve		
Balance as per last financial statements	15.53	15.53
less: Adjustment of depreciation	-	-
Add: transfer from revaluation reserve	-	-
Balance at the end of the year	**15.53**	**15.53**
Securities premium account		
Balance as per last financial statements	700.00	700.00
Add: addition during the year	3.00	-
Add: utilized during the year	-	-
Balance at the end of the year	**703.00**	**700.00**
Surplus in statement of profit and loss		
Balance as per last financial statements	351.84	449.79
Add: profit for the year	118.58	196.59
Add / (Less): OCI for the year	-	(4.24)
	470.42	**642.14**
Dividend on equity	-	(241.20)
Dividend distribution tax	-	(49.10)
Balance at the end of the year	**470.42**	**351.84**
Total reserves & surplus	**1,343.90**	**1,222.32**
Equity Portion of 9% Unsecured Optionally Convertible Debentures	0.09	
Total Other equity	**1,343.99**	**1,222.32**

Note 11.1 Dividend distribution made Rs In lacs

Particulars	March 31, 2018	March 31, 2017
Cash dividends on Equity shares declared and paid		
Dividend for year ended March 31, 2017 - Nil (March 31, 2016: Rs. 12 per share)	-	241.20
Dividend distribution tax	-	49.10
	-	**290.30**

M. Sinha

Proposed Dividend on Equity shares		
Proposed Dividend for year ended March 31, 2018: Rs ____ per share (March 31, 2017: Rs. 13/- per share)	-	261.30
Dividend distribution tax on proposed dividend	-	49.10
	-	**310.40**

Note 12 : Financial liabilities

12.1 Borrowings

Rs In lacs

Particulars	March 31, 2018	March 31, 2017
Long-term Borrowings (refer note (a) below)		
Non-current portion		
Secured		
Term loan from Banks	11.62	27.26
Unsecured		
5,000 9% Unsecured Optionally Convertible Debentures of FV of Rs. 10 each (Refer Note a-i)	0.16	0.00
Total long-term borrowings	**11.78**	**27.26**
Short-term Borrowings (refer note (b) below)		
Secured		
Working Capital Loans repayable on demand from Banks	39.84	30.02
Total short-term borrowings	**39.84**	**30.02**
Total	**51.62**	**57.28**

(a) Nature of security:
Term loans are secured against motor cars. The interest rate varies between 10.02 % - 10.25% repayable over 60 months

(a-i) 9% Unsecured Optionally Convertible Debentures
5,000 Debentures of FV Rs. 10 were issued at a premium of Rs. 60 per Debenture to the 2 shareholders of the Company. 2,500 Debentures have been converted into shares by one of the debentureholder during the year.

(b) Nature of security:
Working Capital Loans are repayable on demand and are Secured against hypothication of book debts and other current assets (present and future)

Arya Omnitalk Radio Trunking Services Pvt Ltd

Notes to and Forming Part of the Financial Statements for the year ended 31 March 2018

12.2 Trade payable

Rs In lacs

Particulars	March 31, 2018	March 31, 2017
Current		
Trade and other payable (Refer note below)	113.65	45.21
Total Trade Payables	**113.65**	**45.21**

Trade and other payables are not-interest bearing and are normally settled on 30-90 days terms

The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosures as required under Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 regarding:

(a) Principal amount and the interest due thereon remaining unpaid to any suppliers as at the end of accounting year;

(b) Interest paid during the year;

(c) Amount of payment made to the supplier beyond the appointed day during accounting year;

(d) Interest due and payable for the period of delay in making payment;

(e) Interest accrued and unpaid at the end of the accounting year; and

(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise. have not been given.

The Company is making efforts to get the confirmations from the suppliers as regard to their status under the said Act.

12.3 Other financial liabilities

Rs In lacs

Particulars	March 31, 2018	March 31, 2017
Non-current		
Income Received in Advance (Unearned Revenue)	1.45	1.45
Total Non-Current Financial Liabilities	**1.45**	**1.45**
Current		
Current maturity of long term borrowings	13.45	8.33
Payable to employees - Bonus	24.75	24.72
Payable to employees - Salary and Incentive	212.99	195.23
Income Received in Advance (Unearned Revenue)	408.04	384.17
Advance from customers	88.55	27.31
Provision for Expenses	32.60	22.55
Total Other Current Financial Liabilities	**780.38**	**662.31**
Total Other Financial Liabilities	**781.83**	**663.76**

Arya Omnitalk Radio Trunking Services Pvt Ltd
Notes to and Forming Part of the Financial Statements for the year ended 31 March 2018

Rs In lacs

Financial liabilities- At Amortised Cost	March 31, 2018	March 31, 2017
Borrowings	51.62	57.28
Trade payables	113.65	45.21
Other financial liabilities	781.83	663.76
Total financial liabilities	**947.10**	**766.25**
Non- current	13.23	28.71
Current	933.87	737.54

Note 13 : Provisions

Rs In lacs

Particulars	March 31, 2018	As at March 31, 2017
Long-term		
Provision for employee benefits (refer Note 23)		
Provision for Compensated Absences	88.97	78.64
Provision for Gratuity	-	15.23
Total	**88.97**	**93.87**
Short- term		
Provision for employee benefits (refer Note 23)		
Provision for Compensated Absences	10.77	8.94
Provision for Gratuity	22.58	20.16
Total	**33.35**	**29.10**

Note 14 : Other liabilities

Rs In lacs

Particulars	March 31, 2018	As at March 31, 2017
Current		
Statutory dues including provident fund and tax deducted at source	17.10	18.17
Total Current Assets	**17.10**	**18.17**

Note 15 : Current Tax liabilities

Rs In lacs

Particulars	March 31, 2018	As at March 31, 2017
Provision for Income Tax (Net of Advance tax & TDS receivable)	82.56	64.82
Total	**82.56**	**64.82**

Note 16 : Revenue from operations

Rs In lacs

Particulars	March 31, 2018	Year ended March 31, 2017
Sale of services (Airtime Charges)	2,903.99	2,908.80
Total	**2,903.99**	**2,908.80**

Note 17 : Other income

Rs In lacs

Particulars	March 31, 2018	Year ended March 31, 2017
Interest income		
On Deposits (TDS CY Rs. Nil (PY Rs. Nil)	0.37	0.52
On Others (TDS CY Rs. 6.52 Lakhs (PY Rs. 9.32 Lakhs)	82.84	94.73
Shared service income	4.13	15.56
Profit on sale of Property, Plant and Equipment (Net)	1.45	0.46
Miscellaneous income	5.94	8.18
Total	**94.73**	**119.45**

Note 18 : Employee benefits expense

Rs In lacs

Particulars	March 31, 2018	Year ended March 31, 2017
Salaries, wages, gratuity, bonus, commission, etc. (Refer Note 24)	1,374.98	1,207.72
Contribution to provident and other funds	43.93	31.91
Welfare and training expenses	26.72	6.80
Total	**1,445.63**	**1,246.43**

Note 19 : Finance costs

Rs In lacs

Particulars	March 31, 2018	Year ended March 31, 2017
Interest expense - Car Loans	2.06	3.79
Interest expense - Cash Credit	2.34	1.03
Other finance cost	1.74	-
Total	**6.14**	**4.82**

Note 20 : Depreciation and amortization expense

Rs In lacs

Particulars	March 31, 2018	Year ended March 31, 2017
Depreciation on Tangible assets (Refer Note 5)	58.35	65.52
Amortization on Intangible assets (Refer Note 6)	1.88	6.14
Total	**60.23**	**71.66**

Arya Omnitalk Radio Trunking Services Pvt Ltd

Notes to and Forming Part of the Financial Statements for the year ended 31 March 2018

Note 21 : Other expenses

Rs In lacs

Particulars	March 31, 2018	Year ended March 31, 2017
Airtime Purchase	22.06	158.28
Power and fuel	111.06	111.11
Rent including lease rentals (Refer note no 26)	362.56	392.37
Security Charges	20.06	35.27
License Fee	322.51	321.35
Repairs and maintenance - Machinery	43.61	19.24
Repairs and maintenance - Others	6.52	6.82
Insurance	0.15	2.53
Rates and taxes	5.82	9.20
Travelling and conveyance	45.07	45.09
Telephone and Communication Expenses	28.32	24.10
Office Expenses	71.90	66.39
Printing and stationery	6.62	4.09
Brokerage ,Sales Promotion and Commissioning	9.39	19.75
Legal and professional	48.20	74.54
Director Sitting Fees	3.00	2.00
Payments to auditors (Refer Note (a) below)	2.50	6.25
Bad Debts Written Off	5.79	25.11
Provision for doubtful debts (net)	152.56	74.90
Loss on sale of Property Plant and Equipment (Net)	-	6.87
Miscellaneous expenses	0.98	6.41
Other Bank Charges	5.26	3.76
Total	**1,273.94**	**1,415.43**

Note (a)

Payment to Auditors (Net of service tax)

Rs In lacs

Particulars	March 31, 2018	Year ended March 31, 2017
Payment to Auditors as		
Audit Fees	2.50	6.25
Total	**2.50**	**6.25**

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Arya Omnitalk Radio Trunking Services Pvt Ltd

Notes to and Forming Part of the Financial Statements for the year ended 31 March 2018

Note 22 : Contingent liabilities

Rs In lacs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Contingent liabilities not provided for		
a. Guarantees given by bank on behalf of the Company	88.55	78.70
b. Service Tax Matters	87.10	87.10
c. Court case for payment of office rent	27.58	-
Total Contingent Liabilities	**203.23**	**165.80**

Note 23 : C. I. F. Value of Imports, expenditure and earnings in foreign currencies

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A. CIF Value of Imports:		
i. Capital goods	75.52	-
Total	**75.52**	-
B. Expenditure in foreign currency		
i. Others	1.15	-
ii. Material imported for repairs and maintenance	4.69	9.58
iii. Software and repairs	-	10.37
Total	**5.84**	**19.95**

Mr. Rao

Note 24 : Disclosure pursuant to Employee benefits

A. Defined contribution plans:

Amount of Rs. 43.93 lacs. (March 31, 2017: Rs. 31.91 lacs,) is recognised as expenses and included in Note No. 18 "Employee benefit expense"

Rs. In lacs

Particulars	As at March 31, 2018	As at March 31, 2017
Provident Fund	40.00	28.84
National Pension Scheme	3.93	3.07
	43.93	31.91

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the schemes, the company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company makes Contributions to National pension Scheme (NPS) for employees who have acquired Permanent Retirement Account Number (PRAN) Under the Schemes, the company is required to contribute a specified percentage of the payroll costs to scheme.

B. Defined benefit plans:

This is funded defined benefit plan for qualifying employees. The Company makes contributions to the Arya Omnitalk Radio Trunking Services Trust Fund. Gratuity shall be payable to an employee on terminaton of employment due to superannuation, retirement or resignation after successful completion of vesting period. The completion of vesting period is not applicable in the case where termination of employee is due to death.

(a) Gratuity

March 31, 2018 : Changes in defined benefit obligation and plan assets

Rs. In lacs

	April 1, 2017	Gratuity cost charged to statement of profit and loss			Liability transferred in	Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	March 31, 2018
		Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 30)			Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity													
Defined benefit obligation	115.05	11.13	8.59	19.72	-	-2.50	-	-	-8.63	17.58	8.95	-	141.22
Fair value of plan assets	35.39	-	2.64	2.64	-	-2.50	47.72	-	-	-	47.72	35.39	118.64
Benefit liability	150.44	11.13	11.23	22.36	-	-5.00	47.72	-	-8.63	17.58	56.67	35.39	259.86
Total benefit liability	**150.44**	**11.13**	**11.23**	**22.36**	-	**-5.00**	**47.72**	-	**-8.63**	**17.58**	**56.67**	**35.39**	**259.86**

Mr. Roi

March 31, 2017 : Changes in defined benefit obligation and plan assets

Rs. In lacs

	01-Apr-16	Cost charged to statement of profit and loss			Liability transferred in	Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	March 31, 2017
		Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 30)			Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity													
Defined benefit obligation	80.96	8.54	6.44	14.98	6.20	(0.65)	-	-	5.84	7.72	13.55	-	115.04
Fair value of plan assets	80.96	-	6.44	6.44	-	-	(108.18)	-	-	-	(108.18)	56.16	35.38
Benefit liability	161.92	8.54	12.88	21.42	6.20	(0.65)	(108.18)	-	5.84	7.72	-94.63	56.16	**150.42**
Total benefit liability	**161.92**	**8.54**	**12.88**	**21.42**	**6.20**	**(0.65)**	**(108.18)**	**-**	**5.84**	**7.72**	**-94.63**	**56.16**	**150.42**

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended March 31, 2018 (%) of total plan assets	Year ended March 31, 2017 (%) of total plan assets
Insurance Fund	100%	100%
(%) of total plan assets	**100%**	**100%**

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Discount rate	7.47%	7.96%
Future salary increase	8.50%	8.50%
Expected rate of return on plan assets	7.47%	7.96%
Attrition rate	17.00%	17.00%
Rate of employee turnover	For service 4 years and below 17.00% p.a. For service 5 years and above 2.00%p.a.	For service 4 years and below 17.00% p.a. For service 5 years and above 2.00%p.a.
Morality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Morality rate after employment	N.A.	N.A.

Mr. B.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

Particulars	Sensitivity level	(increase) / decrease in defined benefit obligation (Impact) Year ended March 31, 2018 Rs. In lacs	Year ended March 31, 2017 Rs. In lacs
Gratuity			
Discount rate	1% increase	(12.98)	(11.46)
	1% decrease	15.10	13.42
Salary increase	1% increase	(14.89)	(13.15)
	1% decrease	13.04	11.45
Change in rate of employee turnover	1% increase	(0.62)	(1.10)
	1% decrease	0.69	1.23

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	Year ended March 31, 2018 Rs. In lacs	Year ended March 31, 2017 Rs. In lacs
Gratuity		
Within the next 12 months (next annual reporting period)	5.16	3.94
Between 2 and 5 years	23.97	18.75
Beyond 5 years	67.54	50.36
	96.67	**73.05**
Total expected payments	**96.67**	**73.05**

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	Year ended March 31, 2018 Years	Year ended March 31, 2017 Years
Gratuity	12	13

The followings are the expected contributions to planned assets for the next year:

Particulars	Year ended March 31, 2018 Rs. In lacs	Year ended March 31, 2017 Rs. In lacs
Gratuity	25.45	20.16

C. Other Long term employee benefit plans

Leave encashment

Salaries, Wages and Bonus include Rs. 16.75 Lacs (Year ended March 31,2017; Rs. 38.29 Lacs) towards provision made as per actuarial valuation in respect of accumulated leave encashment/compensated absences.

Note 25 Related Party Disclosures

25.1 **Details of related parties:**

Description of relationship	Names of related parties
Holding Company	Aryadoot Transport Pvt Ltd.
Entity in which Company is an Associate	Arvind Limited
Key Management Personnel (KMP)	Mr. Vipen Malhotra
Directors	Mr. Mayank Shah Mr. Rajen Kaul
Company in which KMP / Relatives of KMP can exercise significant influence	Arya Omnitalk Wireless Solutions Pvt Ltd

Note: Related parties have been identified by the Management and relied upon by the auditors.

25.2 **Details of related party transactions during the year ended 31st March 2018 and 31st March, 2017**

Nature of Transactions	2017-2018 (Rs. In Lacs)	2016-2017 (Rs. In Lacs)
Arya Omnitalk Wireless Solutions Pvt Ltd		
Rendering of services (Airtime)	211.95	350.02
Receiving of services (Management Fees, Reimbursement of Expenses)	97.07	70.20
Rendering of Services (Reimbursement of Expenses, Rent Recovery (Income & common Sharing)	8.17	23.85
Arvind Limited (Telecom Division)		
Receiving Of Services (Management Fees, Reimbursement of Expenses)	196.08	102.78
Director Sitting Fees	3.00	2.00

25.3 **Details of balances outstanding as at 31st March 2018 and 31st March, 2017**

Balances as at year end	31/03/2018	31/3/2017
Arya Omnitalk Wireless Solutions Pvt Ltd		
Trade Receivables	78.88	155.64
Arvind Limited (Telecom Division)		
Creditors for Expense	41.34	22.13

1 **Terms and Conditions of Transactions with related parties:**

Transaction entered into with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash.

2 **Commitments with related parties**

The Company has not provided any commitment to the related parties as at March 31, 2018 (March 31, 2017: Rs. NIL)

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Note 26 : Lease Rent

Operating Lease

The Company has entered into operating Lease arrangements primarily for leasing office space and residential premises for its employees.

The particulars of these leases are as follows:

Rs Indacs

Particulars	**Year ended**	
	March 31 2018	**March 31, 2017**
Future Minimum lease payments obligation on operating leases:		
Not later than one year	281.65	301.52
Later than one year and not later than five years	612.27	586.85
Later than five years	59.07	165.45
	952.99	1,053.83
Lease Payment recognised in Statement of Profit and Loss	362.56	392.37
Total	**1,315.55**	**1,446.20**

Note 27 : Earnings per share

Particulars	**As of**	
	March 31 2018	**March 31, 2017**
Earning per share (Basic and Diluted)		
Profit attributable to ordinary equity holders (Rs. In Lacs)	118.58	196.59
Total no. of equity shares at the end of the year	2,012,500	2,010,000
Weighted average number of equity shares		
For basic EPS	2,011,267	2,010,000
For diluted EPS	2,011,267	2,010,000
Nominal value of equity shares (in Rs.)	10	10
Earning per share (in Rs.)		
Basic	5.90	9.78
Diluted	5.90	9.78

28. Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Rs. In lacs

Particulars	Carrying amount		Fair value	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Financial assets				
Loans	881.19	896.17	881.19	896.17
Total	**881.19**	**896.17**	**881.19**	**896.17**
Financial liabilities				
Borrowings *	65.07	65.61	65.07	65.61
Total	**65.07**	**65.61**	**65.07**	**65.61**

* Borrowings includes current maturities of long term loan classified under other financial liabilities

The management assessed that the fair values of cash and cash equivalents, other bank balances, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is 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.

The fair value of borrowings is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

The discount for lack of marketability represents the amounts that the Company has determined that market participants would take into account when pricing the investments.

Note 29 : Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2018 and March 31, 2017

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs	Significant unobservable inputs
As at March 31, 2018					
Assets measured at fair value					
Assets for which fair values are disclosed					
Loans	**March 31, 2018**	881.19	-	881.19	
As at March 31, 2017					
Assets for which fair values are disclosed					
Loans	**March 31, 2017**	896.17	-	896.17	

Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2018 and March 31, 2017

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs	Significant unobservable inputs
As at March 31, 2018					
Liabilities disclosed at fair value					
Borrowings*	**March 31, 2018**	65.07	-	65.07	
As at March 31, 2017					
Liabilities disclosed at fair value					
Borrowings*	**March 31, 2017**	65.61	-	65.61	

* Borrowings includes current maturities of long term loan classified under other financial liabilities

Arya Omnitalk Radio Trunking Services Private Limited
Notes to and Forming Part of the Financial Statements as at and for the year ended 31 March 2018

Note 30 : Financial instruments risk management objectives and policies

The Company's principal financial liabilities, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include loans given, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. In order to minimise any adverse effects on the financial performance of the Company,the risk management is carried out by the Company's management. Company's management identifies and evaluates financial risks in close co-operation with the Company's operating units. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include deposits, trade and other receivables and trade and other payables. However, exposure to various market risk is not material and hence, Market risk is assessed by the company at low level.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure

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to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8.1. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements under the counterparty risk assessment process. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the group adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the Balance sheet as of March 31, 2018 and March 31, 2017 is the carrying amount as disclosed in Note 8.2 & Note 8.3.

(c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans, debt and overdraft from domestic banks at an optimised cost. It also enjoys strong access to domestic capital markets.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Rs. In lacs

Particulars	On Demand	1 month to 3 months	3 months to 1 year	1 year to 5 years	more than 5 years	Total
Year ended March 31, 2018						
Interest bearing borrowings*	39.84	-	13.61	11.62	-	65.07
Trade payables	113.11	-	0.54		-	113.65
Other financial liabilities	1.45	-	-	-	-	1.45
	154.40	-	**14.15**	**11.62**	-	**180.17**
Year ended March 31, 2017						
Interest bearing borrowings*	30.02	3.39	10.17	28.19	-	71.77
Trade payables	278.39	0.01	9.36		-	287.76
Other financial liabilities	1.45				-	1.45
	309.86	**3.40**	**19.53**	**28.19**	-	**360.98**

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* Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

Note 31 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a debt equity ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings .

Rs. In lacs

Particulars	**Year ended March 31, 2018**	**Year ended March 31, 2017**
Interest-bearing loans and borrowings (Notes 12.1 and 12.3)	65.07	65.61
Less : Cash and Bank Balances	(48.87)	(25.47)
Net debt	**16.20**	**40.13**
Equity share capital (Note 10)	201.25	201.00
Other equity (Note 11)	1,343.99	1,222.32
Total capital	**1,545.24**	**1,423.32**
Capital and net debt	**1,561.44**	**1,463.45**
Gearing Ratio	**1.04%**	**2.74%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

Arya Omnitalk Radio Trunking Services Private Limited

Notes to and Forming Part of the Financial Statements as at and for the year ended 31 March 2018

Note : 32 Segment Reporting

The operating segment of the Company is identified to be "Radio Trunking" as the Chief Operating Decision Maker (CODM) reviews business performance at an overall Company level as one segment and hence does not have any additional disclosures to be made under IND AS 108 Operating Segments.

Note: 33 Additional disclosures to Financial Statements

33.1 Advances, deposits and Accounts Payable

The Balances in respect of amounts receivable, deposits and payable are subject to confirmation and reconciliation thereof from respective parties. However, in the opinion of Management the Current Assets, Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the accounts unless otherwise stated and adequate provisions/write-offs for all the known liabilities and unconfirmed balances of the parties have been made.

33.2 Previous Years figures

Previous year's figures have been regrouped / reclassified wherever necessary to make them comparable to those of the current year.

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
For Sorab S. Engineer and Co.
Chartered Accountants
Firm Registration No. 110417W

CA N.D. Anklesaria
Partner
Membership No. 10250
Place : Pune
Date : May 22 ,2018

For and on behalf of the board of directors of
Arya Omnitalk Radio Trunking Services Private Limited

Mayank Shah
Director
DIN: 00076380

Rajen Kaul
Director
DIN:00030662

Shyam Sundar Agarwal
Chief Financial Officer
Place : Pune
Date : May 22 ,2018

ARYA OMNITALK RADIO TRUNKING SERVICES PVT. LTD. PUNE