

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FREELook SOFTWARE PRIVATE LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Freelook Software Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income) for the year ended March 31, 2018, the Statement of cash flows and the Statement of changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS of the financial position of the company as at March 31, 2018, and its financial performance 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 Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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, Statement of Profit and Loss, the statement of Cash Flows 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 standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act read with relevant rule issued thereunder.
 - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" and
 - (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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and protection Fund by the Company.

For K.C.Malhotra & Co.
Chartered Accountants
(Regn.No.000057N)


(Ramesh Malhotra)
Membership No.013624
Place: New Delhi
Date: 18th May 2018



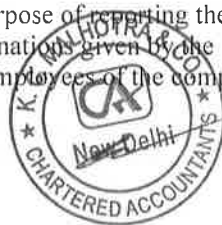
K.C. MALHOTRA & CO.
CHARTERED ACCOUNTANTS

R-79, GREATER KAILASH-I,
NEW DELHI- 110 048 (INDIA)
Phone: + 91-11-41608133, 26418337
E.mail: rcm_kcm_malhotra@yahoo.co.in

Annexure 'A' to the Auditors' Report

The annexure referred to in Independent Auditor's Report of even date to the members of Freelook Software Private Limited on the standalone financial Statements as of and for the year ended 31st.March,2018

- I a)The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed asset.
- b)The management has certified that it has conducted a physical verification of the fixed asset during the year, and no material discrepancies were noticed on such verification.
- c)The title deed of immovable property is held in the name of the company.
- ii The Company's business does not involve inventories and accordingly the requirements paragraph 4(ii) of the Order are not applicable to the Company and hence not been commented upon.
- iii According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- v The Company has not accepted any deposits from the public.
- vi Maintenance of cost records has not been prescribed to the company by the Central Government under Section 148(1) of the Companies Act, 2013
- vii a)The company is regular in depositing with appropriate authorities undisputed statutory dues including, income-tax, and other material statutory dues applicable to it.The provisions relating to provident fund, employees' state insurance, wealth tax, duty of custom, cess and duty of excise are not applicable to the company.
- b)According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, goods and service tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.The provisions relating to provident fund, wealth tax, duty of custom, cess, employee state insurance, duty of excise and value added tax are not applicable to the company.
- c)According to the information and explanations given to us, there are no dues of income tax, sales tax ,service tax, goods and service tax,cess which have not been deposited on account of any dispute. The provisions relating to provident fund, wealth tax, duty of custom, cess, employee state insurance, duty of excise and value added tax are not applicable to the company.
- viii The Company did not have any outstanding dues from banks, financial institutions, debenture holders or government.
- ix Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer) and term loans hence, reporting under clause (ix) of the order is not applicable to the Company and hence not commented upon.
- x Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or on the Company by the officers and employees of the company has been noticed or reported during the year.



- xi The provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the Company. Therefore, the requirements under paragraph 3(xi) of the Order are not applicable to the Company and hence not commented upon.
- xii In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- xiii According to the information and explanations given by the management, there are no transactions with the related parties during the year under audit and accordingly reporting under clause 3(xiii) in so far as relates to section 188 of the Act is not applicable to the company and hence not commented upon. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) in so far as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- xiv According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence provisions of clause 3(xiv) are not applicable and not commented upon.
- xv Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For K.C.Malhotra & Co.
Chartered Accountants
(Firm Regn.No.000057N)

(Ramesh Malhotra)
Partner
Membership No:013624
Place:New Delhi
Date:18th May 2018



CHARTERED ACCOUNTANTS

**R-79, GREATER KAILASH-I,
NEW DELHI- 110 048 (INDIA)
Phone: + 91-11-41608133, 26418337
E.mail: rcm_kcmalhotra@yahoo.co.in**

Annexure B to the Auditor's Report

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 Freelook Software Private limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended March 31, 2018.

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. 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 the 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 Companies Act, 2013.

Auditor's 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 as specified 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 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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 K.C.Malhotra & Co.
Chartered Accountants
(Firm Regn.No.000057N)


(Ramesh Malhotra)
Partner
Membership No: 013624
Place :New Delhi
Date:18th May 2018



Freelook Software Private Limited
CIN: U72200DL2005PTC133918
Balance Sheet as at 31.03.2018

(IN INR)

	Note	31.03.2018	31.03.2017
ASSETS			
Non - current assets			
(a) Property, plant and equipment	3	73,607,473	73,607,473
(b) Financial assets		-	-
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Loans		-	-
(iv) Others		-	-
(c) Deferred tax assets (net)		-	-
(d) Other non - current assets	4	19,800	19,800
Total non-current assets		73,627,273	73,627,273
Current assets			
(a) Inventories		-	-
(b) Financial assets		-	-
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Cash and cash equivalents	5	4,345,694	4,148,669
(iv) Loans		-	-
(v) Others (to be specified)	6	168,291	194,334
(c) Current tax assets (net)		-	-
(d) Other current assets		-	-
Total current assets		4,513,985	4,343,003
Total assets		78,141,258	77,970,276
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	7(a)	246,500	246,500
(b) Other equity	7(b)	77,857,404	77,678,737
Total equity		78,103,904	77,925,237
LIABILITIES			
Non - current liabilities			
(a) Financial liabilities		-	-
(i) Borrowings		-	-
(ii) Trade payables		-	-
(iii) Other financial liabilities excl. provisions		-	-
(b) Provisions		-	-
(c) Deferred tax liabilities (net)		-	-
(d) Other non - current liabilities		-	-
Total non-current liabilities		-	-
Current liabilities			
(a) Financial liabilities		-	-
(i) Borrowings		-	-
(ii) Trade payables	8	35,800	40,480
(iii) Other financial liabilities		-	-
(b) Other current liabilities		-	-
(c) Provisions		-	-
(d) Current tax liabilities (net)	9	1,554	4,559
Total current liabilities		37,354	45,039
Total equity and liabilities		78,141,258	77,970,276

The accompanying notes form an integral part to the financial statements

In terms of our report of even date

For K.C.Malhotra & Co.

Chartered Accountants

(Firm Registration No.- 000057N)

For and on behalf of Board of directors

(Ramesh malhotra)

Partner

Membership No. 013624

Place: New Delhi

Date: 18.05.2018



(Handwritten signature of J.K. Chowdhery)

(J.K. Chowdhery)

Director

DIN: 00087556

(S.K. Khorana)

Director

DIN: 00085300

(Handwritten initials)

Freelook Software Private Limited
CIN: U72200DL2005PTC133918
Statement of Profit and Loss for the year ended 31.03.2018

(IN INR)

	Note	31.03.2018	31.03.2017
Revenue from operations			
Other Income	10	287,080	295,354
Total income		287,080	295,354
Expenses			
Other expenses	11	45,804	69,969
Total expenses		45,804	69,969
Profit before tax		241,276	225,385
Income tax expense	12	62,609	32,863
Profit for the year		178,667	192,522
Other comprehensive income		-	-
Total comprehensive income for the year		178,667	192,522
Earnings per equity share			
Basic & Diluted	13	7.25	7.81

The accompanying notes form an integral part to the financial statements

In terms of our report of even date

For K.C.Malhotra & Co.

Chartered Accountants

(Firm Registration No. - 000057N)

For and on behalf of Board of directors

(Signature)
(Ramesh malhotra)

Partner

Membership no. - 013624

Place: New Delhi

Date: 18.05.2018



(Signature)
(J.K.Chowdhery)

Director

DIN: 00087556

(Signature)
(S.K.Khorana)

Director

DIN: 00085300

(Signature)

Freelook Software Private Limited

CIN: U72200DL2005PTC133918

Cash flow statement for the year ended 31.03.2018

(IN INR)

	Note	31.03.2018	31.03.2017
Cash flow from operating activities			
Profit before tax		241,276	225,385
Profit before tax		241,276	225,385
Adjustment for:			
Interest income	10	(287,080)	(295,354)
Change in operating assets and liabilities			
Decrease /(increase)in other financial assets	6	26,043	4,621
Increase /(decrease)in trade payables	8	(4,680)	17,580
Increase / (decrease)in current tax liabilities	9	(3,005)	(50,263)
Income tax paid	12	(62,609)	(32,863)
Net Cash outflow from operating activities (A)		(90,055)	(130,894)
Cash flow from Investing activities			
Capital expenditure on fixed asset		-	-
Interest income	11	287,080	295,354
Cash flow used in investing activities		-	-
Net cash in inflow (outflow) from investing activities (B)		287,080	295,354
Cash flow from financing activities			
Net cash inflow (outflow) from financing activities (C)		-	-
Net increase (decrease) in cash and cash equivalents (A+B+C)		197,025	164,460
Opening Cash and cash equivalents	6	4,148,669	3,984,209
Cash and cash equivalents as at 31.3.2018	6	4,345,694	4,148,669

In terms of our report of even date

For K.C.Malhotra & Co.

Chartered Accountants

(Firm Registration No. - 000057N)

For and on behalf of Board of directors

(Ramesh Malhotra)

Partner

Membership no. - 013624

Place: New Delhi

Date: 18.05.2018



(Handwritten signature of J.K. Chowdhery)

(J.K. Chowdhery)

Director

DIN: 00087556

(S.K. Khorana)

Director

DIN: 00085300

(Handwritten initials)

Freelook Software Private Limited
Notes to financial statements for the year ended 31.03.2018

Statement of changes in equity

A : Equity share capital

(IN INR)

As at 1.4..2016		246,500
Changes in equity share capital		-
As at 31.3.2017		246,500
Changes in equity share capital		-
As at 31.3.2018		246,500

B: Other equity

(IN INR)

	Reserves and surplus				Total
	Capital reserve	Securities premium reserve	General reserve	Retained earnings	
As at 1.04.2016		77,498,500	-	(12,285)	77,486,215
Profit for the year		-	-	192,522	192,522
Other comprehensive income		-	-	-	-
Total comprehensive income		77,498,500	-	180,237	77,678,737
As at 31.03.2017		77,498,500	-	180,237	77,678,737
Balance as at 01.04.2017		77,498,500	-	180,237	77,678,737
Profit for the year		-	-	178,667	178,667
Other comprehensive income		-	-	-	-
Total comprehensive income		77,498,500	-	358,904	77,857,404
As at 31.3.2018		77,498,500	-	358,904	77,857,404

The accompanying notes form an integral part to the financial statements

In terms of our report of even date

For K. C. Malhotra & Co.

Chartered Accountants

(Firm Registration No. - 000057N)

(Ramesh Malhotra)

Partner

Membership No. - 013624

Place: New Delhi

Date: 18.05.2018



For and on behalf of Board of directors

(Handwritten signature)
 (J.K.Chowdhery)

Director

DIN: 00087556

(S.K.Khorana)

Director

DIN: 00085300

(Handwritten signature)

Freelook Software Private Limited

Note 1: Corporate information

Note 1 : Overview

The company is a private limited company domiciled in India with its registered office at A-740 Sarita Vihar, New Delhi-110076 and is incorporated under the provisions of the Companies Act, 2013 as applicable in India. The company is the wholly owned subsidiary company of Isgec Heavy Engineering Limited holding the entire share capital along with its nominees.

The company has been allotted institutional land for carrying out the information technology services. The company has not yet started its commercial operations during the financial year 2017-18.

Note 2 : Significant accounting policies

(a) Basis of preparation

(i) Compliance with IND AS

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

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared under the historical cost convention on the accrual basis, except for certain financial instruments and provisions which are measured at fair values at the end of each reporting period, as explained in the accounting policies below (as applicable).

b) Current versus Non-current classification

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

An asset is classified as current when it is :

- * expected to be realised or intended to be sold or consumed in normal operating cycle,
- * Held primarily for the purpose of the 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

A liability is classified as current when:

- * it is expected to be settled in normal operating cycle,
- * it is held primarily for the purpose of the 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



Freelook Software Private Limited
Significant accounting policies contd.

(c) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposit with banks. Cash equivalents are short term, highly liquid investments that readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

(d) 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.

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.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits has become probable. Contingent liabilities are not recognised but are disclosed in Notes .

A contingent asset is not recognized but disclosed when an inflow of economic benefits is probable. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain events not wholly within the control of the entity.

(e) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the company operate and generate taxable income .Management evaluates position in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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 recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax has not been recognized since there are no temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.

(f). Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Interest income

Interest income is recognised using the bank interest rates which is considered to be effective rate of interest. The effective rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate ,the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (For example prepayments, extension, call and similar options) but does not consider the expected credit losses.



Freelook Software Private Limited
Significant accounting policies contd.

(h) Earnings per share

Basic and diluted earnings is computed by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year

(i) Financial instruments

(i) Measurement

An initial recognition, the company measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

***Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognized in profit and loss when the asset is derecognized or impaired these. Interest income from these financial assets is included in finance income using the effective interest rate method.

***Fair value through other comprehensive income(FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI ,except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss and recognized in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate.

***Fair value through profit or loss :** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit and loss within other gain/(losses)in the period in which it arises. Interest income from these financial assets is included in other income.

(ii) Impairment of financial assets

In accordance with IND-AS 109,the company applies expected credit loss (ECL) mode for measurement and recognition of impairment loss on financial assets and credit risk exposures.

Financial assets that are debt instruments, and are measured at amortised cost e.g.loans,deposits,trade receivables and bank balance. FVOCI DEBT instruments and asset that results from transactions within the scope of INS AS 18 (referred to as contractual revenue receivables).The impairment methology applied depends on whrether there has been a significant increase in credit risk.

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



Freelook Software Private Limited
Significant accounting policies contd.

(iii) Derecognition of financial assets

A financial asset is derecognised only when the company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. When the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized. Where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

(k) Trade payables

The amount represents liabilities for services provided to the company prior to the end of the period which are unpaid. The amounts are unsecured non-interest bearings and are usually paid within 60 days of recognition. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized at amortised cost, and the carrying amounts are reasonable approximation of fair value.

(l) Property, Plant and equipment

Leasehold land is carried at historical cost. The company do not have any other plant and equipment except leasehold as stated above.

Depreciation has not been provided on leasehold as the same is not put to use

(m) Standards issued but not yet effective upto the date of issuance of the company's financial

The new standards, interpretations and amendments to standards that are issued, but not yet effective, upto the date of issuance of the company's financial statements are disclosed below. The company intends to adopt these standards, if applicable, when they become effective.

IND As 115 Revenue from contracts with customers

In February, 2015 IND AS 115-Revenue from contracts with customers was issued. The standard establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IND AS 115 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard is applicable to all entities and will supersede all current recognition requirements under IND AS. The effective date is from accounting period beginning on or after 1st.April, 2018. The company is currently evaluating the requirements of IND AS 115, and has not yet determined the impact on the financial statements.



Freelook Software Private Limited
Note to financial statements for the year ended 31.03.2018

Note 3 : Property, plant and equipment

(IN INR)

Particulars	Note	Leasehold land	Plant and equipment	Furniture and fixtures	Total
Year ended 31.3.2016					
Gross carrying amount					
Opening gross carrying amount		73,607,473	-	-	73,607,473
Additions		-	-	-	-
Disposals		-	-	-	-
Closing gross carrying amount		73,607,473	-	-	73,607,473
Accumulated depreciation					
Depreciation charge during the year		-	-	-	-
Disposals		-	-	-	-
Closing accumulated depreciation		-	-	-	-
Net carrying amount as at 31.03.2017		73,607,473	-	-	73,607,473
Year ended 31.3.2017					
Opening gross carrying amount		73,607,473	-	-	73,607,473
Additions		-	-	-	-
Disposals		-	-	-	-
Closing gross carrying amount		73,607,473	-	-	73,607,473
Accumulated depreciation					
Depreciation charge during the year		-	-	-	-
Disposals		-	-	-	-
Closing accumulated depreciation		-	-	-	-
Net carrying amount as at 31.03.2018		73,607,473	-	-	73,607,473

Note: Disclosure under IND AS 16

(i) There is no item of property, plant and equipment which has retired from active use and has not been classified as held for sale in accordance with IND AS 105.

(ii) Land acquired under perpetual lease which is for 99 years is shown as a 'leasehold land' under property, plant and equipment. However, no provision for depreciation has been made in respect of the said land as the same is not put to use.



Freelook Software Private Limited
Note to financial statements for the year ended 31.03.2018

Note :4 Other assets

(IN INR)

Particulars	31.03.2018		31.03.2017	
	Non-current	Current	Non-current	Current
Unamortized preliminary expenses	19,800	-	19,800	-
Total other assets	19,800	-	19,800	-

Note 5 : Cash and cash equivalents

(IN INR)

Particulars	31.03.2018		31.03.2017	
	Non- Current	Current	Non- Current	Current
Balances with banks				
-in current and cash credit accounts	-	311,782	-	378,866
Bank fixed deposit with maturity-				
-Within one year	-	4,033,912	-	3,769,803
Cash in hand	-	-	-	-
Total cash and cash equivalents	-	4,345,694	-	4,148,669

Cash at bank earns interest at bank deposit rates

Note 6 : Other financial assets

(IN INR)

Particulars	31.3.2018		31.3.2017	
	Non-current	Current	Non-current	Current
Interest accrued but not due on deposits	-	168,291	-	194,334
Total other financial assets	-	168,291	-	194,334



Freelook Software Private Limited

Note to financial statements for the year ended 31.3.2018

Note 7 (a) : Equity share capital

Authorised equity share capital with voting rights

(IN INR)

Particulars	Number of shares	Amount
As at 1st April, 2017	50,000	500,000
Increase during the year	-	-
As at 31st March, 2018	50,000	500,000

Issued equity capital with voting rights

Equity shares of Rs 10 each issued, subscribed and fully paid

(IN INR)

Particulars	Number of shares	Amount
As at 1st April, 2017	24,650	246,500
Changes during the year	-	-
As at 31st March, 2018	24,650	246,500

(i) Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible to one vote per share held. The dividend proposed by the Board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of the preferential amounts in proportion to their shareholding.

(ii) Shares of the company held by holding company

Particulars	31.3.2018	31.3.2017
Isgec Heavy Engineering Limited *	24,650	24,650

(iii) Detail of share holders holding more than 5% shares in the company

Particulars	31.3.2018		31.3.2017	
	Number of shares	% of holding	Number of shares	% of holding
Isgec Heavy Engineering Limited *	24,650	100	24,650	100

* Out of 24,650 shares held by Isgec Heavy Engineering Limited 400 shares are held by four individuals holding 10 share each as nominee of Isgec Heavy Engineering Limited.



Freelook Software Private Limited

Note to financial statements for the year ended 31.3.2018

Other equity

7 (b) Reserves and surplus

(IN INR)

Particulars	31.3.2018	31.3.2017
Securities premium reserve (i)	77,498,500	77,498,500
Retained earnings (ii)	358,904	180,237
Total reserves and surplus	77,857,404	77,678,737

(i) Securities premium reserve

(IN INR)

Particulars	31.3.2018	31.3.2017
Opening balance	77,498,500	77,498,500
Additions during the year	-	-
Less: utilised during the year	-	-
Closing balance	77,498,500	77,498,500

(ii) Retained earnings

(IN INR)

Particulars	31.3.2018	31.3.2017
Opening balance	180,237	(12,285)
Profit for the year	178,667	192,522
Closing balance	358,904	180,237

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings

This comprise company's undistributed profit after taxes.



Freelook Software Private Limited

Note to financial statements for the year ended 31.3.2018

Note 8 : Trade payables

(IN INR)

Particulars	31.3.2018		31.3.2017	
	Non- Current	Current	Non- Current	Current
Trade payables	-	35,800	-	40,480
Total Trade payables	-	35,800	-	40,480

Note 9 : Current tax liabilities (net)

(IN INR)

Particulars	31.3.2018	31.3.2017
Current tax payable for the year	62,130	53,292
Less : taxes paid	(60,576)	(48,733)
Total current tax liabilities (net)	1,554	4,559



Freelook Software Private Limited

Note to financial statements for the year ended 31.3.2018

Note 10 : Other income

(IN INR)

Particulars	31. 03.2018	31.03.2017
Interest income		
- On fixed deposits	286,350	295,126
- On income Tax Refund	730	228
Total other income	287,080	295,354

Note 11 : Other expenses

(IN INR)

Particulars	31. 03.2018	31.03.2017
Filing Fee	2,288	2,500
Bank Charges	649	189
Professional Expenses	5,310	32,780
Insurance Charges	2,157	-
Statutory audit fees *	35,400	34,500
Total other expenses	45,804	69,969

* Include GST/service tax

5,400

4,500

Note 12 : Income tax expense

(IN INR)

Particulars	31. 03.2018	31.03.2017
(a) Current tax	62,130	67,320
MAT Credit Entitlement	-	(14,028)
Tax relating to earlier year(net)	479	(20,429)
Total current tax expense	62,609	32,863
(b) Deferred tax	-	-
Total deferred tax expense	-	-
Total income tax expense	62,609	32,863

Reconciliation of tax expense and accounting profit multiplied by tax rate

(IN INR)

Particulars	31. 03.2018	31.03.2017
Profit before income tax expense	241,276	225,385
Tax @25.75 % 2017-18 (29.87% 2016-17)	62,130	67,320
Tax effect amounts which are not deductible in calculating taxable income		
MAT Credit Entitlement	-	(14,028)
Tax relating to earlier year(net)	479	(20,429)
Income tax expense	62,609	32,863



Freelook Software Private Limited

Notes to financial statements for the year ended 31.3.2018

Note 13 : Earnings per share (EPS)

In accordance with IND - AS 33 on "Earning per share" ,the following table reconciles the numerator and and denominator used to calculate Basic and Diluted earning per share:

Particular	(IN INR)	
	31.3.2018	31.3.2017
Profit /(loss) attributable to equity shareholders	178667	192522
Weighted average number of equity shares	24650	24650
Nominal value of equity shares	10	10
Basic and Diluted earnings per share	7.25	7.81

Note 14 : Related Party transactions

	(IN INR)	
	31.3.2018	31.3.2017
(a) Transactions with related parties		
Holding company		
- Isgec Heavy Engineering Limited		
b) Key Management Personnel	NIL	NIL

Note 15 : Fair value measurements

Set 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 approximation of fair values:

Financial instruments by category	(IN INR)			
	Carrying value		Fair value	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
Financial assets at amortised cost				
Cash and cash equivalents	5	4345694	4,148,669	4345694
Interest accrued and due	6	168,291	194,334	168,291
Total financial assets		4,513,985	4,343,003	4,513,985
Financial liabilities at amortised cost				
Trade payables	8	35,800	40,480	35,800
Total financial liabilities		35,800	40,480	35,800

The carrying amounts of trade payables, cash and cash equivalents and other financial assets are considered to be the same as their fair values, due to their short term nature.

Note 16 : Segment Information

The company business activity falls within a single primary business segment viz. Information technology services ,identified in accordance with principles enunciated in Indian Accounting Standards As-108. Segment Reporting. Hence, business segment is not applicable.

The Board of Directors of the company has been identified as the Chief Decision Maker (CODM) .The company has not started its commercial activities and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.



Note 17 : Financial risk management

The company's financial liabilities comprise only trade payable for services. The main purpose of these financial liabilities is to manage finances for the company's operations and financial assets include cash and cash equivalents and other financial assets measured at amortised cost. The company is exposed to Market risk, credit risk and liquidity risk.

(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 prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits and derivative financial instruments.

(a) Credit risk

Credit risk is the risk that a counterparty will not meet the obligation under a financial instrument or customer contract, leading to a financial loss. The company is exposed from its financing activities including deposits with banks and other financial instruments. Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks. Investments primarily include certificates of deposits which are funds deposited at a bank for a specified time period.

The board of directors reviews and agrees policies for managing each of these risks. The limits are set to minimise the concentration of risks, and therefore mitigate loss through counterparty's potential failure to make payments.

(b) Liquidity risk

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and its liquidity requirements. The company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's liquidity position through rolling, forecast on the basis of expected cash flows.

Maturities of financial liabilities

The following table summarises the maturity profile of the company's financial liabilities at the reporting date based on contractual undiscounted payments. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(IN INR)	
Contractual maturities of financial liabilities	less than three months
As at 31st.March,2018	
Trade payables	35,800
Total	35,800
As at 31st.March,2017	
Trade payables	40480
Total	40480

Note 18: The company is not having any contingent liabilities, commitments and litigations as on 31.3.2018

In terms of our report of even date

For K.C.Malhotra & Co.

Chartered Accountants

(Firm Registration No. - 000057M)

(Ramesh malhotra)

Partner

Membership no. - 013624

Place: New Delhi

Date: 18.05.2018



For and on behalf of Board of directors

(Handwritten signature of J.K. Chowdhery)

(J.K.Chowdhery)

Director

DIN: 00087556

(S.K.Khorana)

Director

DIN: 00085300

(Handwritten signature of S.K. Khorana)